

**THE IMPACT OF DECENTRALIZATION OF CENTRAL GOVERNMENT  
FUNCTIONS TO THE LOCAL AUTHORITIES IN TANZANIA  
A CASE STUDY OF KILOSA DISTRICT COUNCIL, MOROGORO**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT FOR  
REQUIREMENTS FOR DEGREE OF MASTERS IN BUSINESS  
ADMINISTRATION OF THE OPEN UNIVERSITY OF TANZANIA**

**2013**

**CERTIFICATION**

The undersigned certifies that he has read and hereby recommends for the acceptance by the Open University of Tanzania a dissertation titled “*The Impact of Decentralization of Central Government Functions to the Local Authorities in Tanzania, A Case Study of Kilosa District Council*” in fulfillment of the requirements for the degree of Masters of Business Administration of The Open University of Tanzania.

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.....

Erasto Nehemiah Kiwale

Date .....

**DEDICATION**

This dissertation is dedicated to my parents and wife who have always been the spirit of my inspiration through their tireless efforts and encouragements for my achievement.

## **ACKNOWLEDGEMENTS**

This study could not been completed without contributions of many individuals and institutions, to which I feel greatly indebted. I heartedly wish to acknowledge and thank them for their support. Foremost, I would like to express my sincere thanks to GOD who gave me this chance to live. Secondly to my supervisor Dr. William Pallangyo, who accorded me with relevant information, encouragement, patience, genuine criticism and guidance to accomplish this dissertation.

I express my thanks to academic, administrative staff and classmates whom I met and worked with, at the Open University of Tanzania for their support and cooperation during my study. Profound gratitude is extended to my parents; Late father Nehemiah J. Kiwale, and Annah Kiwale who invested in my education since my childhood. They are greatly acknowledged for opening the door into my own inner world. I owe enormous debt to my lovely wife Shakila A. Masoli and our five kids Mariam, Shangwe, Nehemiah, Leah and Henry who had the temerity to challenge my dealings, loved me enough to enable me to become honest with both myself and with them, and who facilitated new insights and my growth.

I am also grateful to acknowledge in a special way all those who in one way or the other assisted in this work but could not be mentioned. Their moral and material support contributed a lot to the success of this work. To them all, I say thanks a lot.

## **ABSTRACT**

The objective of this study was to explore the impact of decentralization of central government functions to local authorities in Tanzania. The study involved a sample population of 50 people and data were collected from primary and secondary source of data. The objective of this research was to explore the impact of decentralization of Central Government functions to Local authorities in Tanzania. There are four Specific Objectives to this study. This study used the descriptive type of research and the findings addressed the research questions. The study came with the following findings; the decentralized functions have good impact on decision-making through structured meetings, people are involved in planning and budgeting process by 75%. Resources such as finance and manpower are managed by people at grass root and revenue collection is done by the local authorities. The study concludes that the decentralized functions have impacts on autonomy of local authorities, increased control of financial and human capital by local authorities hence increase of performance, transparency and good governance in local authorities. The study came with recommendations for improvements as follows; the capacity building should be strengthened to extension officers and local leaders. Local leaders should identify their roles and obligations. Also they should provide full autonomy and authority without interference to local authorities in areas of plans and budgets. The central government should leave some revenue sources to local authorities which are collected by central government. There should be non-interference of central government in decision-making to local authorities by District Commissioners' office and Regional Secretariat. There should be harmony between councillors and management to avoid unnecessary conflicts.

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## LIST OF ABBREVIATIONS

CAP	-	Chapter
CMAC	-	Council Multisectoral Aids Committee
CMT	-	Council management Team
CCM	-	Chama Cha Mapinduzi
CHADEMA	-	Chama Cha Demokrasia na Maendeleo
CUF	-	Civic United Front
DCC	-	District Consultative Committee
DADP	-	District Agricultural Development Program
DED	-	District Executive Director
FGDs	-	Focused Group Discussions
LGA	-	Local Government Authorities
LGRP	-	Local Government Reform Program
LGCDG	-	Local Government Capital Development Grant
LGTP	-	Local Government Transport Program
MBA	-	Masters of Business Administration
NGOs	-	Non-Governmental Organization
PO RALG	-	Presidents' Office Regional Administration and Local Government
PEDEP	-	Primary Education Development Program
PHP	-	Primary Health Program
WDC	-	Ward Development Committee
WEO	-	Ward Executive Officer
URT	-	United Republic of Tanzania



RSWP	-	Rural Sanitation and Water Program
VEO	-	Village Executive Officer
SAU	-	Sauti ya Umma
TASAF	-	Tanzania Social Action Fund

## **CHAPTER ONE**

### **1.0 INTRODUCTION AND BACKGROUND**

#### **1.1 Introduction**

Decentralization of central government functions to the local authorities play great role in fastening development to the people. The decentralization processes is argued to improve governance in public service provision in at least three ways: by improving the efficiency of resource allocation; by promoting accountability and reducing corruption within government; and by improving cost recovery. These three dimensions of governance are closely linked, and depend on local governments being at least quasi-democratic. The process involves devolution of powers of decision-making and ownership of resources. The numbers of factors are to be taken into consideration to ensure that the decentralization is of success and meet the desired objectives. This study was conducted to find out the impact of decentralization process to the performance and development of local authorities in Tanzania .The decision for decentralization was made to bring powers and decision to the local authorities through decentralization by devolution and deconcentration. Deconcentration - refers to delegation of authority by the central government to the field units of the same central government department that is giving decision-making power to civil servants in the regions, districts or/ and village. This form of decentralization is sometimes referred to as administrative decentralization. It is the delegation of authority from the higher to lower echelons within the bureaucracy, taken as a basis for development and change. Devolution refers to transfer of decision-making power and much policy-making powers (especially development and social service policy) to elected local representative authorities or units or to

autonomous public enterprise. This model of decentralization is sometimes referred to as political decentralization.

## **1.2 Background to the Problem**

Decentralization of Government functions from the central government to the local authorities in Tanzania is a policy which has been adopted and enforced by the United Republic of Tanzania to ensure efficiency and effectiveness in the government functions. The decentralization of the local government in Tanzania is governed by the enacted laws of the parliament; these laws are The Local Government (District Authorities) Act cap 287, The Regional Administration Act, 1997. The Constitution of the United Republic of Tanzania Chapter 8, article 145 (1) stipulates on the establishment of Local Government Authorities. Similarly in the local government Act no. 15 of 1984 section 50 states that, “there shall be established local government authorities in each region, district, urban areas and the village in the United Republic, which shall be of the type and designation prescribed by law to be enacted by the Parliament or the House of Representatives”.

The purpose of the local government authority is presented in the constitution of the United Republic of Tanzania in article 146(1) which states that, “The purpose of having local government authorities is to transfer authority to the people. Local Government authorities shall have the right and power to participate, and to involve the people, in the planning and implementation of development programmes within respective areas and generally throughout the country”. The enactments of Laws have been made to ensure total involvement and participation of people in their own

development. The involvement and participation focus on increase of democracy in decision-making planning, implementation of activities and control of resources. The United Republic of Tanzania has decentralized its powers and responsibilities to the local authorities to ensure sustainable social and economic development. Chenge, “The Constitution of the United Republic of Tanzania of 1977”, United Republic of Tanzania, Government Printer 1998.

Decentralization ensures equal and balanced allocation of resources in a country. This results in increase of efficiency and effectiveness of the government functions. Decentralization provides the local authorities with machinery of decision-making and implementation of plans made in the lower level. The local authorities are given delegated powers to enact by laws, to employ, to collect revenues to enable provision of social and economic services and operate as autonomous organs. This is evidenced by Aleksander (2012), 'Fiscal Decentralization in Eastern Europe: A Twenty-Year Perspective.' MPRA Paper No. 39316 and Nobuo and Sakata (2002), 'Fiscal Decentralization Contributes to Economic Growth: Evidence from State-Level Cross-Section Data for the United States', *Journal of Urban Economics*, Vol.52, No.1, pp. 93–108.

One of the most important aspects in the government functions is the need for the efficient and effective of the government structure which facilitates realization of the government goals/objectives. Currently, decentralization of powers authorities and responsibilities to the grassroots has been noted to be a key point for democracy, ownership and sustainable development in a country. Hence, with the well-

structured government machinery the government enhances community participation and involvement in their own development which eventually has good impact in the socio – economic aspects of the country. Decentralization is highly linked with local government system and has been practiced in the country in varying degrees. Decentralization associates with increased citizen's participation in decision-making process. Today both developed and developing countries like Tanzania are pursuing decentralization policies to enable community to participate in decision-making.

This type of decentralization was more of deconcentration than devolution of power through local level democratic organs. Tanzania's ongoing administrative, political and economic reforms of early 1990's demanded effective decentralization in which the involvement of the people directly or through their democratically elected representatives is given paramount importance. The paper by Sharma, kumar.2005a 'When Does decentralization deliver The Dilemma of Design', South Asian Journal of Socio-Political Studies<sup>6</sup> (1): 38-45. and Sharma, Kumar. 2005b. 'The Federal Approach to Fiscal Decentralization: Conceptual Contours for Policy Makers', Loyola Journal of Social Sciences, XIX (2): 169-88 (Listed: International Bibliography of Social Sciences, London School of Economics and Political Science) also evidence the explanation provided above.

These reforms include the civil service reform which started in 1992, which aims to achieve a smaller, efficient and effectively performing public service (Following civil service reforms, in 1984 the Local Government system was re-introduced, followed by its reform in 1996, where it was accompanied by the Decentralization by Devolution policy.

The policy shifted from the former centralized system to the decentralized local governance system. For that matter, the local government Reform was used as a driving vehicle of Decentralization by Devolution (D-by-D) policy to strengthen the local government authorities with the overall objective of improving service delivery to the public. Thus, made it through transferring power of the decision making, functional responsibilities, and resource from central government to local government authority (URT, 2006). However, there have been cases including lack of involvement of stakeholders in planning process, on the side of the human resources involved in the process. This paper aims at exploring the extent in which D-by-D has been implemented in planning process at the grassroots level with concentration on people involvement in planning process. That means to see the extent to which individuals at grassroots level are involved in the preparation of the strategic plan and see whether the human resources at the grassroots' level. The information provided is supported by Kasege "Local Government Reform Program in Tanzania" Presidents Office-Regional Administration and Local Government, July 2003. Mogella and Mushi, "Centre-Local relationship in the reformed Local government authorities" 2002 July, and John, "the development of local government in Tanzania", Educational Publishers and Distributors Ltd Dar-es-Salaam, Tanzania 1991.

### **1.3 Statement of the Problem**

The study wanted to get the impact of decentralization of central government functions to local authorities basing history of decentralization since the colonial era when decentralization is practiced in Tanzania. The study went on revealing factors

which have impact in development of local authorities, factors have impacts to ownership of local authorities by people themselves; getting factors that have impacts on performance of local authorities while performing its core functions and finally it directed itself in getting measures of improving performance in local authorities. All they are found to see whether the decentralization of central government functions and powers have impacts on government activities since have realized efficiency and effectiveness in the local authorities.

The study observed some impacts on balances of responsibilities, powers and authorities to the local authorities' visa vie central government. All these intended get solution for ownership of local people of the decentralization processes through participation in decision-making, improving operation environment for decentralization and having improved and sustainable local authorities. This study therefore attempted to examine; the impact of the decentralization of central government functions to the local authorities in Tanzania, the feelings and perception of the community towards the decentralization aspect, the link and interrelation between the central government and the local authorities at the Ministry, Regional and District levels, and the capacities of the local authorities in areas of human resources, finance, governance and infrastructures to carry the decentralized functions previously performed by the central government.

Still we find there is partial decentralization which does not lead to decentralization aspects as per the intention of it. Despite the provision in article 145-146 Of the Constitution of the United Republic of Tanzania and Local Government Act Cap 287

still decentralization is not well and properly practiced due to overlapping of powers in decision making between the central government and local government. Therefore, the study expects to identify factors that have impacts strong and effective local authorities through the decentralization of the central government functions to the local authorities that will result into socio-economic development.

The study has involved various characters including councilors, members of the council management team, focused group who provided data and information on matters and issues relating to decentralization and get reasons as to why this situation exists, moreover, provided different situations and ways of operations during the decentralization of various matters. The study has come with findings on the impact of decentralization process and possible solutions on the issues raised during observation, interview, questionnaires and discussion in group focused groups. The conclusion and recommendation of this study has provided some solutions to basic question of this study in relations to the impact of decentralization of the central government functions to the local authorities in Tanzania.

#### **1.4 Research Objectives**

The general objective of this study was to explore the impact of decentralization of central government functions to local authorities in Tanzania.

##### **1.4.1 Specific Objectives**

To identify decentralization functions which have impact in development of local authorities



To determine the decentralization functions which have impact on ownership of

To analyze the critical factors of decentralization which have impact in development of local authorities

To suggest methods of improving performance in local authorities

### **1.5 Research Questions**

Q.1: Whether there are decentralization functions which have impact in development in local authorities.

Q.2: What is the decentralization functions having impact to ownership of the local authorities

Q.3: Which critical factors that have impact in performance of local authorities in Tanzania.

Q.4: What are the possible measures for improving performance and having impact in local authorities.

### **1.6 Contributions and Significance of the Study**

This study contributes to the decentralization literature in the following grounds; Firstly, it adds to the existing conceptual, theoretical and empirical academic literature on decentralization process and practices specifically in Tanzania. Besides, the study provides a platform to other scholars in decentralization process and related fields. Secondly, it provides evidence on impact of decentralization of central government functions and powers to local authorities in Tanzania. Thirdly, it will help me to fulfill part of my course and therefore enhance me graduate a Masters Degree in Business Administration (MBA).

## **1.7 Outline of the Study**

The remainder of the study is organized as follows: Chapter 1 Background of the study, where matters such as introduction, objective of the study, research questions, and research methodology are provided. Chapter 2 discusses the literature review of the study whereby it provided theoretical and empirical review on decentralization of central government to local government. These helped the researcher to widen knowledge on his study hence develop important skills relating to the study. Most of the literatures touched on administrative decentralization, fiscal decentralization, democratic decentralization and basic principles of decentralization. The literature review narrated pre- to post independence decentralization different situations. Chapter 3 described the methodology which helped the researcher to collect data and information required in the study by employing methodologies such as research design, sampling design, sampling techniques and data processing and analysis and expected results. Chapter Four mainly involved findings and recommendations of the study for example the response rate by details of who participated in the discussion, the responses in relation to objectives by the study. And Chapter Five mainly provide conclusion and recommendations which focused on information derived from the findings and suggested possible measures to problems identified by the study. The study paper has also attached appendices of data collection tools, budget and time frame.

## **CHAPTER TWO**

### **2.0 LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter is aimed at providing the theoretical and empirical literature on decentralization of functions from the central government to the local government/authorities. It particularly gives an overview of decentralization policy and its importance both theoretical and empirical. The literature review helped the researcher to gain clarity and focus to the research problem. Moreover, it has improved methodology and broadened the researcher's knowledge.

#### **2.2 Conceptual Frameworks**

The main issue in this study was to explore the impact of decentralization of central government functions to local authorities in Tanzania. Although decentralised functions are implemented still there is doubt if it has impact in development and ownership to local authorities. This study intends to look into the decentralized functions and their impact to development of local authorities in Tanzania.

#### **2.3 The Concepts**

##### **2.3.1 Decentralization**

Ghana's Constitution uses the term "decentralization" to mean different things at the different levels of governance. This has been one of the greatest hindrances to the implementation of the decentralization policy, as the use of the same word in different parts of the Constitution suggests that the same meaning is sought to be conveyed.

### **2.3.2 Decentralization as a Process**

As defined here, decentralization is a process. It is a set of policy reforms aimed at transferring responsibilities, resources, or authority from higher to lower levels of government. The concept is not used as an adjective to qualify a given political or fiscal system. Decentralization is a set of state reforms. As such, decentralization does not include transfers of authority to non-state actors (as in the case of privatization reforms). In general, the decentralization reforms analyzed here followed the collapse of the developmental state and accompanied the move toward free-market economies characteristic of the last quarter of the twentieth century.

Finally, as defined here, decentralization reforms may take place in authoritarian as well as democratic contexts, which means that the concepts of decentralization and democratization should not be conflated. One may classify decentralization policies as belonging to one of three categories—Administrative, fiscal, and political—depending on the type of authority devolved:

Administrative decentralization comprises the set of policies that transfer the administration and delivery of social services such as education, health, social welfare, or housing to sub national governments. Administrative decentralization may entail the devolution of decision-making authority over these policies, but this is not a necessary condition. If revenues are transferred from the center to meet the costs of the administration and delivery of social services, administrative decentralization is funded (and coincides with fiscal decentralization). If sub national governments bear the costs of the administration and delivery of transferred services with their own pre-existing revenues, administrative decentralization is not funded.

Fiscal decentralization refers to the set of policies designed to increase the revenues or fiscal autonomy of sub national governments. Fiscal decentralization policies can assume different institutional forms. An increase of transfers from the central government, the creation of new sub national taxes, and the delegation of tax authority that was previously national are all examples of fiscal decentralization.

Political decentralization is the set of constitutional amendments and electoral reforms designed to open new—or activate existing but dormant or ineffective—spaces for the representation of sub national politics. Political decentralization policies are also designed to devolve electoral capacities to sub national actors. Examples of this type of reform are the popular election of mayors and governors (who were previously appointed), the creation of sub national legislative assemblies, or constitutional reforms that strengthen the political autonomy of sub national governments.

Regarding the consequences of each type of decentralization, I expect administrative decentralization to have either a positive or negative impact on the autonomy of sub national executives. If administrative decentralization improves local and state bureaucracies, fosters training of local officials, or facilitates learning through the practice of delivering new responsibilities, it will likely increase the organizational capacities of sub national governments. Nevertheless, if administrative decentralization takes place without the transfer of funds, this reform may decrease the autonomy of sub national officials, who will be more dependent on subsequent national fiscal transfers or sub national debt for the delivery of public social services.

Similarly, fiscal decentralization can have either a positive or negative impact on the degree of autonomy of the sub national level. The result will depend largely on the design of the fiscal decentralization policy implemented. Higher levels of automatic transfers increase the autonomy of sub national officials because they benefit from higher levels of resources without being responsible for the costs (political and bureaucratic) of collecting those revenues. On the contrary, the delegation of taxing authority to sub national units that lack the administrative capacity to collect new taxes can set serious constraints on the local budgets, and increase the dependence of the local officials on the transfers from the center. Prosperous sub national units prefer to collect their own taxes, but poor states or municipalities are negatively affected every time the collection of taxes is decentralized and, as a consequence, the horizontal redistribution of transfers from rich to poor sub national units is affected.

Finally, political decentralization should always have a positive impact on the degree of autonomy of sub national officials from the center. By unpacking decentralization policies in this way, we see that, depending on their institutional design, two of these three types of decentralization can actually decrease the power of sub national officials with regard to the national executive. This is a feature of decentralization that both advocates and critics have failed to take into account.

### **2.3.3 Impact of Decentralization on Public Services: Theory and Evidence**

#### **2.3.3.1 Theory**

Decentralization of local public good finance and delivery—provided these are without substantial inter-jurisdictional spillovers—is argued to improve governance

in public service provision in at least three ways: by improving the efficiency of resource allocation; by promoting accountability and reducing corruption within government; and by improving cost recovery. These three dimensions of governance are closely linked, and depend on local governments being at least quasi-democratic.

#### **2.3.3.1.1 Allocative Efficiency**

The most common theoretical argument for decentralization is that it improves the efficiency of resource allocation. Decentralized levels of government have their *raison d'être* in the provision of goods and services whose consumption is limited to their own jurisdictions. By tailoring outputs of such goods and services to the particular preferences and circumstances of their constituencies, decentralized provision increases economic welfare above that which results from the more uniform levels of such services that are likely under national provision. The basic point here is simply that the efficient level of output of a “local” public good (i.e., that for which the sum of residents’ marginal benefits equals marginal cost) is likely to vary across jurisdictions as a result of both differences in preferences and cost differentials. (Oates 1999, 1121-22) One pillar of this argument is that because subnational governments are closer to the people than the central government, they are considered to have better information about the preferences of local populations than the central government (Hayek 1945, Musgrave 1959). Hence, they are argued to be better informed to respond to the variations in demands for goods and services. Second, subnational governments are also considered to be most responsive to the variations in demands for and cost of providing public goods. Decentralization is thought to increase the likelihood that governments respond to the demand of the

local population by promoting competition among subnational governments (Tiebout 1956).

Competition among subnational governments is said to allow for a variety of bundles of local public goods to be produced, and individuals are said to reveal their preferences for those goods by moving to those jurisdictions that satisfy their tastes--that is, by “voting with their feet.” This is seen to pressure subnational governments to pay attention to the preferences of their constituents and tailor the service delivery accordingly, whilst risking the loss of tax revenues (Oates 1968, 1972, 1999; Salmon 1987; Breton 1996; Qian and Weingast 1997). This “voting with feet” is thus argued to enhance the efficiency of resource allocation by increasing the likelihood that governments satisfy the wishes of citizens. Where geographic mobility is constrained, as in many developing and transition 3 countries, alternative service providers such as private firms and NGOs are potentially important in providing exit options.

#### **2.3.3.1.2 Accountability**

Decentralization is also argued to promote accountability and reduce corruption in the government (Ostrom, Schroeder, and Wynne 1993). Since subnational governments are closer to the people, citizens are considered to be more aware of subnational governments’ actions than they are of actions of the central government. Also, the resulting competition between sub-national providers of public goods is seen to impose discipline on subnational governments, as citizens averse to corruption may exit to alternative jurisdiction or providers. (See discussion of exit and voice in Section 3.4).



Corruption represents a breakdown of cooperative behavior, in which the few collude to the detriment of all. Devolving functions to smaller units that are closer to the population should, in theory, increase consensus and legitimacy concerning the choice of public services. This, in turn, can be expected to foster cooperation, vigilance, as well as acceptance of and adherence to rules of public sector integrity (“rule-obedience”). This would be especially true where the financing of public services is devolved via the assignment of tax instruments or the collection of user fees. In plural or socially fractionalized nations, the question then arises whether jurisdictions can be so designed so as to maximize social (e.g. ethno-linguistic) homogeneity and social capital, and therefore the propensity to cooperate at the local level (Meagher 1999).

#### **2.3.3.1.3 Cost Recovery**

Making services more demand responsive through decentralization is argued to have the added benefit that it increases households’ willingness to pay for services (Briscoe and Garn 1995, Litvack and Seddon 1999). Households are argued to be more willing to pay for and maintain services that match their demand. This is the flip side of the locative efficiency coin.

Moreover, a relatively close match between supply and local demand, if coupled with transparency and with local cost-sharing or cost recovery, can provide the incentives and information base for effective local monitoring. The latter is a necessary ingredient in an overall anti-corruption strategy, and in particular helps to shrink the information asymmetries and leakages that can undercut both allocative

efficiency and cost recovery. Does decentralization have these effects on service delivery in practice? The next section will briefly review the existing empirical evidence.

#### **2.3.3.1.4 Organizational Theory**

Decentralization is the policy of delegating decision-making authority down to the lower levels in an organization, relatively away from and lowers in a central authority. A decentralized organization shows fewer tiers in the organizational structure, wider span of control, and a bottom-to-top flow of decision-making and flow of ideas.

In a centralized organization, the decisions are made by top executives or on the basis of pre-set policies. These decisions or policies are then enforced through several tiers of the organization after gradually broadening the span of control until it reaches the bottom tier.

In a more decentralized organization, the top executives delegate much of their decision-making authority to lower tiers of the organizational structure. As a correlation, the organization is likely to run on less rigid policies and wider spans of control among each officer of the organization. The wider spans of control also reduce the number of tiers within the organization, giving its structure a flat appearance. One advantage of this structure, if the correct controls are in place, will be the bottom-to-top flow of information, allowing decisions by officials of the organization to be well informed about lower tier operations. For example, if an

experienced technician at the lowest tier of an organization knows how to increase the efficiency of the production, the bottom-to-top flow of information can allow this knowledge to pass up to the executive officers.

#### **2.3.3.1.5 Political Theory**

Some political theorists believe that there are limits to decentralization as a strategy. They assert that any relaxation of direct control or authority introduces the possibility of dissent or division at critical moments, especially if what is being decentralized is decision-making among human beings. Friedrich Engels famously responded to Bakunin, refuting the argument of total decentralization, or anarchism, by scoffing "how these people propose to run a factory, operate a railway or steer a ship without having in the last resort one deciding will, without single management, they of course do not tell us".

However, some anarchists respond by explaining that they do support a (very limited) amount of centralization, in the form of freely elected and recallable delegates (as seen in worker cooperatives). More to the point from the majority of anarchist perspectives are the real-world successes of anarchist communities, which for the majority only ended when they were defeated by the overwhelming military might of the State or neighboring States. Switzerland is an example of a decentralized country, having no head of state or federal government. It is an economically successful nation, with high social outcomes. <sup>[1]</sup> In his book *Antifragile*, Nassim Taleb cites the Swiss canton system as a robust, resilient political system and contrasts it with hierarchical, cartelized financial markets.

In "On Authority", Engels also wrote of democratic workplaces that "particular questions arise in each room and at every moment concerning the mode of production, distribution of material, etc., which must be settled by decision of a delegate placed at the head of each branch of labour or, if possible, by a majority vote."

Modern trade unions and management scientists tend to side strongly with Engels in this debate, and generally agree that decentralization is very closely related to standardisation and subordination, e.g. the standard commodity contracts traded on the commodity markets, in which disputes are resolved all according to a jurisdiction and common regulatory system, within the frame of a larger democratic electoral system which can restore any imbalances of power, and which generally retains the support of the population for its authority.

Notable exceptions among trade unions are the Wobblies, and the strong anarcho-sindicalist movement of Spain. However, a strategy of decentralization is not always so obviously political, even if it relies implicitly on authority delegated via a political system. For example, engineering standards are a means by which decentralization of supply inspection and testing can be achieved—a manufacturer adhering to the standard can participate in decentralised systems of bidding, e.g. in a parts market. A building standard, for instance, permits the building trades to train labour and building supply corporations to provide parts, which enables rapid construction of buildings at remote sites. Decentralization of training and inspection, through the standards themselves, and related schedules of standardized testing and random spot

inspection, achieves a very high statistical reliability of service, i.e. automobiles which rarely stall, cars which rarely leak, and the like.

In most cases, an effective decentralization strategy and correspondingly robust systems of professional education, vocational education, and trade certification are critical to creating a modern industrial base. Such robust systems, and commodity markets to accompany them, are a necessary but not sufficient feature of any developed nation. A major goal of the industrial strategy of any developing nation is to safely decentralise decision-making so that central controls are unnecessary to achieving standards and safety.

It seems that a very high degree of social capital is required to achieve trust in such standards and systems, and that ethical codes play some significant roles in building up trust in the professions and in the trades. The consumer product markets, industrial product markets, and service markets that emerge in a mature industrial economy, however, still ultimately rely, like the simpler commodity markets, on complex systems of standardization, regulation, jurisdiction, transport, materials and energy supply. The specification and comparison of these is a major focus of the study of political economy. Political or other decision-making units typically must be large and leveraged enough for economy of scale, but also small enough that centralized authority does not become unaccountable to those performing trades or transactions at its perimeter. Large states, as Benjamin Franklin observed, were prone to becoming tyrannies, while small states, correspondingly, tended to become corrupt.

Finding the appropriate size of political states or other decision-making units, determining their optimal relationship to social capital and to infrastructural capital, is a major focus of political science. In management science there are studies of the ideal size of corporations, and some in anthropology and sociology study the ideal size of villages. Dennis Fox, a retired professor of legal studies and psychology, proposed an ideal village size of approximately 150 people in his 1985 paper about the relationship of anarchism to the tragedy of the commons.

All these fields recognize some factors that encourage centralized authority and other factors that encourage decentralised "democracy"—balances between which are the major focus of group dynamics. However, decentralization is not only a feature of human society. It is also a feature of ecology. Another objection or limit to political decentralization, similar in structure to that of Engels, is that terrestrial ecoregions impose a certain fiat by their natural water-circulation, soil, and plant and animal biodiversity which constitutes a form of (what the United Nations calls) "natural capital". Since these natural living systems can be neither changed nor replaced by man, some argue that an ecoregional democracy which follows their borders strictly is the only form of decentralization of larger political units that will not lead to endless conflict, e.g. gerrymandering, in struggle between social groups.

## **2.4 Evidence**

The empirical evidence on the impact of decentralization on the efficiency of resource allocation, accountability and corruption, and cost recovery is surprisingly limited. Studies conducted, however, indicate that the experience with

decentralization is mixed. There has been little empirical research on developing countries with regard to the argument that decentralization promotes demand responsiveness of government services. The existing research tends to focus on the effect of decentralization on expenditure allocation or on the impact of public services provided, and tends not to address whether the resource allocation is tailored to local demand. The results of this research are mixed.

For example, Bird, Ebel, and Wallich (1995) examined decentralization in Eastern and Central Europe. Their results suggest that public services can suffer as a result of decentralization, at least in the short run. By contrast, Matheson and Azfar (1999) explored the impact of decentralization on health and education outcomes in the Philippines. In Filipino provinces where national minorities formed local majorities after decentralization, decentralization improved health outcomes. Further, some studies indicate that decentralization may widen regional disparities in social spending if local governments are made responsible for their funding and delivery. For example, West and Wong (1995) show that in China decentralization increased regional disparities in the provision of health and education services. Similarly, Winkler and Rounds (1996) demonstrate that decentralization created inequities in school expenditures in Chile. Though undesirable, inequity appears difficult to avoid in genuine decentralization reforms – the issue here is whether (and over what time frame) local initiative and equalization transfers improve welfare compared to the status quo ante. One empirical study that addresses the demand-responsiveness of decentralized service delivery is Isham and Kähkönen (1999b). They analyzed the performance of community-based water services in Central Java and found that only

if user themselves were directly involved in service design and selection, were services likely to match users' preferences. Their results indicate that informed user participation in service design and decision-making led to different water technology choices: households expressed a willingness to pay for more expensive technologies than village leaders and government officials would have chosen. The study also shows that water services that matched user preferences were likely to perform better. The developing-country evidence on the impact of decentralization on accountability and corruption is scanty. One study suggests that corruption is greater in decentralized than in centralized countries (Treisman 1998). Also, anecdotal evidence indicates that there is plenty of corruption among local officials. On the other hand, there are case studies of governance improvements arising from local efforts in decentralized systems. (See Litvack *et al.*, 1998, Klitgaard 1988) Countries across the globe have opted for a decentralized policy for diverse reasons. For Tanzania, the aim was to bring government closer to the people since in a decentralized system, the decisions about resource allocation, and services should be more responsive to local needs, usually because local people can be directly involved in decision making or indirectly influence those decisions.

While in many countries the concept of decentralization is read through perusing various literatures, in Tanzania the concept has been practiced and thus experienced through prominently known as villagelization. Villagelization in Tanzania refers to the attempt of the government to create villages of at least 250 household rather than leaving the same people scattered. (Shivji, I. Key note address on Village democracy and Local Government reform, NGO Policy forum, February, 2003).



It is the delegation of authority from the higher to lower echelons within the bureaucracy, taken as a basis for development and change. Devolution- Refers to transfer units of the same central government department, that is giving decision of decision-making power and much policy making powers (especially development and social service policy) to elected local representative authorities or units or to autonomous public enterprise (Norman, 2003). This model of decentralization is sometimes referred to as political decentralization. Devolved local authorities have the power to make laws of local nature and raise revenue needed to meet development with very minimum interference from the centre (Warioba, 1999). Although, most authors seem to link devolution with the transfer of power to the local authorities, yet what happened in Tanzania is the transfer of authority from the central government to the local government, enabling later to pursue all matters regarding social, economical and political development which were formerly being done by the central government.

## **2.5 The Discourse of Implementing Decentralization**

This part sets the extent and efforts made by the government through the Prime Minister's office on implementing the decentralization and devolution processes.

### **2.5.1 The Evolution of Local Government Authority System**

#### **2.5.2 Pre-independence**

Tanganyika prior independence had its leadership styles dominated by tribes. These tribes had their self-rule system usually headed by "tribe elders" who formed "councils", where Elders' Council made decisions on behalf of the tribe mainly on

security and protection of the tribe. The tribes' leadership changed with the emanation of Arabs who came for slave trade and ivory in Tanganyika. Thereafter, the arrival of Germans following Berlin conference scramble for Africa in 1884 was a blow to the self-governing rule, initially the Germans used their superior military powers to dislodge the Arabs. (John, "the development of local government in Tanzania", Educational Publishers and Distributors Ltd Dar-es-Salaam, Tanzania 1991). The British started governing Tanganyika from 1919, until independence in 1961. It was during his rule that the enactment of the Native Authority Ordinance (cap 72) in 1926 was made possible. The main objective of the native authority Ordinance (cap. 72) established in 1926 was to protect the position of the chiefs after they were formally and legally installed.

(John. "the development of local government in Tanzania", Educational Publishers and Distributors Ltd Dar-es-Salaam, Tanzania 1991). Two separate constitutional and political events took place that had bearing on the growth and development of local Government in Tanganyika. The Native Authority Ordinance (Cap 72) was replaced by a new Local Government Ordinance (Cap 333) which was passed in 1953.

### **2.5.3 Post Independence**

Categories and composition of Local Government Authorities

Tanganyika inherited Local Government system from the British colonial system. PO-RALG (2002, P8), gave three categories of local government authorities at independence as:

Those which were created under the old Native Authority Ordinance (Cap 72) of 1926, these numbered 48, those which were established under the Local Governance (cap 333) of 1953 local council these were 9 Urban Council and 10 were district councils, and those which were established under the Municipality Ordinance (cap 105) of 1946. There was only one which was Dar-es-Salaam. In total they were 68. (Currently there are 114 registered LGA) (John, “the development of local government in Tanzania”, Educational Publishers and Distributors Ltd Dar-es-Salaam, Tanzania 1991). In 1962 Local Governance (cap 333) was amended to remove the Native Authority Ordinance and in 1963 Act no. 13/62 was passed to stop the authority of chiefs in the Country. The development of local authorities in Tanganyika experienced some challenges as follows:

#### **2.5.4 Lack of External Supervision**

In 1950 and immediately after independence the Native Authorities and their successors the District Councils were closely supervised by District Commissioner and their assistants’ i.e. administrative officers. However, Urban Councils were staffed with professional experts. Poor planning and mobilization:

Following independence, people were mobilized to build their nation with great enthusiasm on self-help base. Community and social workers were deployed at the grassroots level to mobilize the mass to build the nation.

#### **2.5.5 Laxity in Revenue Collection**

Local rate and Produce cess were the main sources of revenue for the local government. The local rate, being the largest single item for general revenue, it

accounted for between 40% to 60% of local councils own annual recurrent revenue and in 1965 the cess formed 11% of the total recurrent revenue of the district councils. Cess was imposed on a variety of produce e.g. agriculture crops as well as on cattle. In 1966 the government decided to also impose 5% natural development levy on the important cash crops such as sisal coffee, cotton, tea. District councils were directed to reduce the rate of cess on these. This situation led to:

Many of the councils facing liquidity problems, recurrent expenditure rose while revenue dwindled and capital expenditure came almost to a standstill (Kasege, “Local Government Reform Program in Tanzania” Presidents Office-Regional Administration and Local Government, July 2003).

In 1969 the government introduced tax reforms which resulted in the abolition of produce cess and the local rate in 1970 both of which accounted for about 60-70% of their annual revenue. This was a big blow which drove many district councils into near bankrupts’ and some of them never recovered from that financial blow Omax (1991, P49-50).

#### **2.5.6 Problems of Tax Collection**

The following were the tax collection problems:

Decrease mobilization of local communities, slowing down of self-help projects, party and government slow to react to the deteriorating situation, indifference attitude of politicians including councilors as regards to collection of tax. councilors were reluctant to participate in the tax collection (fear of antagonizing the people who elected them into their seats, many district officials and revenue collectors got

disheartened for lack of support from politicians and the laxity was not, however, generalized throughout the country even though the overall situation was far from satisfactory.

### **2.5.7 Lack of Central Government Support**

In 1965 Penner conducted a study which revealed that out of all councils; 44 were poor, it was therefore obvious that unless the government increased its contribution to the local authorities or transferred some of this resource of revenue to them, there was no likely hood for these authorities to improve the function and services entrusted to them or even raise their quality. Omax (1991, P74) opined, “Government did not take steps to improve councils financial situation despite being aware of poverty was an issue and therefore majority of the councils could not raise more revenue from local rate, because people could not afford to pay more”. It is not clear whether the government took steps of having a dialogue with the Local Government Authorities to work out appropriate strategy/solution to ease financial crisis of the councils.

### **2.5.8 Central Government’s Impatience**

“Eventually the government reached a dead end, and to the surprise of many, the entire local government system was abolished allegedly to inefficiency and mismanagement” Omax (1991, P60). Although the government abolished the Local government system, the former president Mwalimu Nyerere (first President of Tanzania) when interviewed by the editor of the Third World quarterly in 1984 said, “There are certain things I would not do if I were to start again. One of them is the

abolition of local government and the other is the disbanding of the cooperatives. We were impatient and ignorant.

### **2.5.9 Decentralization Program**

After the Local Government Authorities and institutions supporting the local Government system were abolished, the central government started a decentralization program, with the aim of increasing peoples' participation in their development and transfer authority to the regions. Kasege, (2003, P7) said, "the Decentralization program theme was power to the regions". The central government established Regional and District directorates and gave them powers to develop and implement development programs. Directorates also had powers and authority to prepare budgets and supervise expenditure. (The Regional Administration Act, 1997) The Decentralization of Government Administration (Interim Provisions) Act No. 27 of 1972 provided for the establishment of development councils and planning committees in every administrative district as statutory bodies of the new arrangement to replace the district councils.

The District Development Council (DDC) constituted of the ruling Party Chairman, District Commissioner, member of parliament, elected members of the defunct district councils, District Planning Officers, Personnel Officer and Financial Controller, functional managers and District Development Director who serves as the secretary.

At the regional level there was the Regional Development Committee (RDC) which was made of regional positions. RDC's responsibilities were to coordinate district

development programs prior to submission to the Prime Minister's office, also to advice and offer guidance to the district programs. (Kikula *et al.*, “ A survey of Some current Approaches to Participatory Planning at District Level, Vol1 Institute of Resource Assessment (IRA of the University of DSM, and Institute for Environment and Development, Ministry of Regional Administration and Local Government, DSM, July 1999).

#### **2.5.10 Starting Local Government Authorities Again**

Enactment of Acts for Local Government Authorities in 1982 was a unique year for the subsequent future of local government authorities. In April 1982 six local government acts were enacted by the National Assembly and received Presidential assent on 28<sup>th</sup> June 1982. The acts were; The Local government Act no. 7 of 1982 this was for District authorities, The Local government Act no. 8 of 1982 this was for Urban authorities, The Local Government Finances act no. 9 of 1982, The Local Government Service, Act No. 10 1982, The Local government negotiating Machinery Act No. 11 of 1982 and The Decentralization of Government Administration- Act No. 12 of 1982.

Three more legislations related to local government authorities were enacted in 1983 by the National Assembly. These are The Urban authorities Act No. 2 and the Local authorities (elections) Amendment Act No.3 both of these were assented to by the President on 13<sup>th</sup> March, 1983, followed by the Human resources Deployment act No. 6 which received the Presidential assent on 9<sup>th</sup> May, 1983. Various amendments have been made to these acts up to 30<sup>th</sup> June 2002 under the authority of section 18

of the interpretation of laws /general clauses Act 1972 of the Constitution of the United Republic of Tanzania. The constitution of the United republic vide Act no. 15 of 1984 was amended to incorporate the local government authorities as its permanent institutions. The local government system was physically launched on 1<sup>st</sup> January 1984.

#### **2.5.11 Area and Composition of Local Government Authorities-Rural**

It is noted here that the people of Tanzania live either in urban or rural areas and Act no. 7 of 1982 provides for the establishment of three types of authorities in the rural areas as follows; District Councils, Township authorities and Village Government.

#### **2.5.12 District Council**

The district council is the highest authority and is superior to the other two authorities since it authorizes by-laws proposed by the subordinate authorities, it is required to support Village councils and Town ship authorities with financial support as per act no. 9 of 1982. The composition of the district council is given by Part II clauses from 35 to 44 of the Local Government act no. 1982, which has been amended in; 1992, 1993, 1994, and 2000.

Every district council consists of; members elected one from each of the ward in the area of the councils, it is noted here that each district has administrative areas from village, ward and division, members of parliament member(s) of parliament representing constituencies within the area of the district council in the Assembly, Number of women members who are qualified to be elected to the council, being not



less than one third of members referred, any other member of Parliament whose nomination originated from organs of political parties within the area of jurisdiction of the district council, the Chairman and Vice Chairman are elected by members from among themselves and this is a secret ballot. The term of office of a member including the chairman is five years unless he resigns or ceases to be member and the Director who is the Central Government employee is the Secretary to the Council.

The election process of representatives and who qualifies for election are given under Act no. 4 of 1979 known as; the Local authority (elections) Act, 1979, which covers the following; the electoral authority, holding of elections and tenure of office of councilors, registration of voters, voting, qualification of candidates for election, nomination of candidates for election, election day and the campaign and procedure offence and petitions.

### **2.5.13 Township Authorities**

The composition of the Township Authorities is given by clauses from 45-54 of the Local Government act no. 7 of 1982, which has been amended, in 1992, 1993, 1994, and 2000. The process of electing members and chairman are the same as for the district council, members of the township are therefore as follows:

The chairmen of the Vitongoji (Kitongoji –has no English translation) is the lowest local government level in rural and in some of the urban areas but has no corporate form of governance (Shivji-NGO policy forum February 8, 2003) within the areas of the Township Authority.

Not more than three members to be appointed by the Council of the Township.

The Member of Parliament representing the constituency within which the township authority is established. Number of women members who are qualified to be elected to the township authority, being not less than one quarter of all the members referred in a/b/c .The Township Executive Officer of the authority shall be the secretary of the township authority, but not vote during the meetings.

#### **2.5.14 Village Government**

In Tanzania mainland the Village Government is the smallest local government unit. The two main organs of governance in the village are the Village assembly and Village councils, Clause no. 55 of the Act No. 7 of 1982 states that, “every village assembly shall consist of every person who is ordinarily resident in the village and who has attained the apparent age of 18 years”. The Village Council consists of not less than 15 but not more than 25 members. Village Registrar under the power given by the Minister conducts village registration (section 22 of LGA Act No. 7 of 1982). The Registrar gives certificate of registration after receiving relevant information on the village boundaries, number of households, population, village activities, village area and village resources (PO-RALG 2002, P30). The composition of the village government by clauses from 55-62 of the Local Government act no. 7 of 1982. Following registration the Village assembly elects the Village Council which has the following composition:

A chairman elected by the village assembly. The chairpersons of all the vitongoji within the village. Some other members elected by the village assembly, women number not less than one quarter of the total number, the Secretary of the assembly is the Village Executive Officer.

### Area and composition of Local government authorities-urban

Act no. 8 of 1982 provides for the establishment of three types of urban authorities as follows; Town Councils, Municipal Council and City Council Town Council, Municipal and City Councils.

The power to establish the urban authority Act no. 6 of 1999 section 41 is given to the Minister, he is empowered to vary boundaries of any ward or increase or reduce the number of the wards in consultation with the authority concerned. Certificate of establishment is provided to the relevant council. The certificate has the details of the urban authority including the name, members and office location. Variation of area of urban authority is given to then Minister by Act No. 4 of 1985. In consultation with the President the Minister may divide the area of urban authority into wards by Act No. 8 of 1992 section 18 and Act no.6 of 1999 section 44. The ward's area is divided into Mitaa or village consisting of a number of households which the urban authority may determine. The process of electing members of village in the town council including the chairman is similar to the ones used in the village councils. The composition is similar, e.g. elected members, Member of Parliament's women members from within the wards of the town.

The Municipal council is a promotional status acquired by the Town Council, its composition is similar to the Town Council, except the chairperson is referred to as the Mayor, and the Vice Chair as the Deputy Mayor, and the Municipal Director is the secretary to the council. Regarding the City Council the structure and composition is the same as the Municipal Council.

### **2.5.15 Standing Committees**

Before the committees were abolished the number of committees were about seven (see section 2.1.2 LGA committees), but following their re-establishment, the standing committees have been re-defined in Act no. 6 of 1999 section 50, that every authority other than a city council establish standing committees for; Finance and administration, economic affairs, health and education, and planning and environment. Councils, however, may establish other standing committees not exceeding three as may be necessary for the proper discharge of the functions of the council to local needs and priorities. Members of other committees except finance shall not be more than one third of members of the council.

Tanzania has been hit by the HIV/AIDS pandemic, and in an effort to fight the consequences, the Assembly formed a commission i.e. Tanzania Commission for AIDS act 2001 which the President's assent was on 9<sup>th</sup> January 2002. However, this applies to Tanzania Mainland. Part IV of the act section 13(1) provides for the establishment of AIDS committees at every local government level. As a result of this Council multisectoral AIDS committees (CMACS) have been formed in all 114 Local government authorities. The Vice Chairmen or the Deputy Mayors chair these committees. CMACS' functions are to coordinate and implement AIDS activities i.e., planning, coordination, monitoring and evaluation of HIV/AIDS impact.

On delegation, while clause 78 section 1 of act no. 7 of 1982 gives the power to district council to delegate to committee the power to discharge any function on behalf of the council, section 2 states that the district shall not delegate to any

committee the power to make by-laws, make and levy rates, adopt estimates of revenue and expenditure for the Council and impose fees and charges. See annex 1 on the Structure of the district council.

#### **2.5.16 Wards Development Committees**

Acts no. 7 and 8 of 1982 have provisions whereby wards in each district and urban authority can form Ward Development Committees (WDC). These committees have the functions of implementing decisions and policies of the district and urban council. And development programs in their respective ward, which consists a number of villages or mitaa (mtaa is the smallest unit in urban councils and has no English translation).

Other functions are too; promote the establishment of development of cooperative enterprises and activities within the wards, initiate or formulate and undertake any task venture or enterprise designed to ensure the welfare and well being of the residents of the wards, plan and coordinate the activities of and render assistance and advice to the residents of the ward engaged in any activity or industry of any kind, formulate, and submit to the urban or district authority, proposals for the making of by laws in relation to affairs of the wards and monitor and coordinate the activities of mitaa or villages within the ward.

The WDC may also establish sub-committees and delegate to such committees any of its functions. The composition of the WDC is all the councilors of the authority resident in that ward, Chairmen of Village councils within the wards. Members of

the WDC elect the Chairperson. The Ward Executive Officer who is appointed by the district authority is the secretary of Ward Development Committee.

#### **2.5.17 Functions of Local Government Authorities**

The summary of functions of the Local Government Authorities is given broadly only in three categories in the constitution of the United Republic of Tanzania under 146 (2). In order to perform the duties the LGA have to recruit employees who perform the functions and services assigned to them. This is as per Local Government Service Act No. 10 of 1982. While the LGA had the obligation to provide services to the people another act i.e. Human Resources Deployment Act No. 6 of 1983 was enacted for the LGA to ensure that every able-bodied resident within its area of jurisdiction engages in productive or any other lawful employment. Detailed functions are given in Acts no. 7/8, Schedule 1, Clauses 1-104; schedule 2, clauses 1-47, and schedule of act no 8 clauses 1-104. These functions can broadly be grouped into:- Agriculture and livestock development including marketing, relief work, food storage facilities and locus destruction, planning and trade, Community development i.e. mobilizing people to do their development and improve their quality of life.

Health including ambulance services, registration of marriage, births, deaths and burial services. Water including protection of water supplies and sources such as rivers, streams, and protection of water from pollution. Education including primary, secondary education, libraries and museum. Natural resources, lands and town planning including fire brigades, managing open spaces and parks.

Security service is another area that the Local Government Authorities are supposed to play key role, especially in maintaining peace, order and good governance in their area. The mechanism which the Local Government Authority is supposed to use in fulfilling these functions, include providing services in efficient and cost effective manner. Another area is to foster cooperation with civic groups in achieving these functions. With regard to the study the LGA have obligations to cooperate with the civic groups, the modalities of how is the missing part. Promoting, and ensuring democratic participation in control of decision among by the people for their own development is also another mechanism. LGA operates through meetings, and the technical officers function within their departments.

The Directors of Urban and District councils are the Accounting Officers for the LGA, and they are therefore responsible for accounting for any service /moneys. The Minister for Local Government Authorities has to ensure proper management of finance and facilitates securing of funds for operation of the LGA and promotes timely budget preparations (Act No. 4 of 1987, Act No. 6 of 1999 section 76/77). The Minister for Local Government Authority issues financial memoranda for use by the councils whenever he finds appropriate (section 42 of the act No. 9 of 1982).

Regarding accounting the accounts of every council are audited internally by an internal auditor employed by the authority concerned. For each authority an external auditor who is the Controller and auditor-general (section 45 of act no. 9 of 1982/Act no. 6 of 1999 sec 83) does the auditing. The Regional Commissioner can authorize in writing any person to have access to the records of Local Government Authority (section 44).

Major challenges faced by Local Government authorities

Two major challenges which face the Local Government Authorities in fulfilling their functions are:

The local government authorities are over dependent on Central Government, which finances between 60-70% of the budgetary requirements in the form of grants and subsidies. The collection of revenue is inadequate, mainly because most Tanzanians are poor, for instance the Household budget survey 2002/01 indicates that 36% of Tanzanians fall below the basic needs poverty line and 19% below the food poverty line. 87% (10.1 million) of the poor live in rural areas.

## **2.5.18 LGA Planning and Budget**

### **2.5.18.1 Process and Structure of Plan and Budget**

The District and Urban Councils are required to prepare estimates of annual budget; this is as per Local government Act no. 9 of 1982 section 54(1) of the Act which directs the councils to have annual budget approval in a period of not less than two months before the beginning of the financial year by the full council. The Central government issues guidelines on yearly basis in August/September for preparing of plans and budgets for instance section 6.6 of the guidelines states that, “government’s declared policy is to empower the people through their local government authorities. District or Urban Councils are supposed to be accountable to the electorate who put them in power. One way of measuring their accountability is by preparing plan and budget aimed at solving the problems of the people”.

As part of guidelines the local governments are supposed to set aside special women funds (20% of the annual collections) Kikula *et al.*, (1999, section 5.7). The planning



and budgeting process is coordinated by the Council Director, who is the Chief Executive Officer. The guidelines empower the Director to involve the Non Governmental Organizations, since they provide, similar services but it does not state how. Other key players in the preparation of the plan and budget are the councilors who have to ensure priorities and needs of the people they represent are included in the plan. Regional Secretariat provides technical advice. Heads of departments for health, water, agriculture prepare estimates for their respective departments. The management team of the Council amends the draft plan based on Regional Secretariats recommendations. The finance committee ensures that all the priorities of the Council are incorporated.

Allocation of funds for the departments of the council has been done in line with the prevailing situation of the department and the importance of services which are being provided. Council plan and budget are in accordance with policies, laws, regulations, guidelines and directives of the Government and the poverty reduction strategy has been adhered to.

The guidelines require that the Local Government Authority plan and budget to adhere to the targets of the National Development Vision 2025 section 3.2, which has the following attributes, i.e. High quality livelihood, peace, stability and unity, good governance, a well educated and learning society a competitive economy capable of producing growth and shared benefits.

In looking at the details of section 3.1, each council's plan/budget has to demonstrate how it will contribute towards meeting the targets of the following goals:

Food self-sufficiency and food security.

Universal primary education, the eradication of illiteracy and the attainment of a level of tertiary education and training that is commensurate with a critical mass of high quality human resources required to effectively respond and master the development challenges at all levels. Gender equality and the empowerment of women in all socio-economic and political relations and cultures.

Access to quality primary health care for all. Access to quality reproductive health services for all individuals of appropriate ages. Reduction in infant and maternal mortality rates by three-quarters of current levels. Universal access to safe water. Life expectancy comparable to the level attained by typical middle income countries. Council plans have to show how they contribute in meeting goals in; good governance (section 3.2), rule of Law, (section 3.3) a strong and competitive economy.

#### **2.5.18.2 Plan and Budget Submission**

The draft plan/budget is submitted and discussed at the full Council. The full council approves it. Copies of the approved plan and budget are sent to;

Regional Secretariat (The region secretariat combines the budget of all the councils in the region, which ranges from 3-8), the respective District Commissioner and major stakeholders at the Regional/Council levels e.g. NGOs, Community based Organizations. Challenges faced by Local Government Authorities.

#### **2.5.18.3 Command Driven Relationship**

The Local Government Authorities' existence is now protected by the Constitution of the United Republic of Tanzania and the ideal aim of the system is to give people

the voice, power and authority to deal with their local issues and development. Every citizen of Tanzania is a resident of one or the other Local Government Authority, which number 114 (registered) and about 10,638 Village Councils, Kasege (2003 section 2.9, P5) in Tanzania. But LGA being part of the constitution does not guard the LGA against problems for instance:

The Local Government Authorities are never really autonomous, partly because the Tanzania political system does not allow two governments with same power, authority and legitimacy.

The constitution prohibits the existence of such sets of government (Article 6, Act no 15 of 1984). Local Government Authorities depend on the Central Government for financial grant to provide services to the peoples, section 10 (1) and 3 of the Local Government finance act, i.e. government is obliged to pay annually to both the urban authorities and district councils grants from the public expenditure, originally but No. 10 of 1986 removed this obligation, it now depends on the existing Capability of the Government.

Mogella C. (2002 section 1.3, P8) said “Consequently, central government control over the local government authorities is manifested more clearly in the use of finance resource”. Few examples arising from Acts Nos. 7, 8, 9, 10 indicate that the relationship between the Central government and Local Government Authority has been a command driven, i.e. while the Central government has a wide tax –base the Local Government is a narrow, the Central Government has a right to audit and monitor LGA finances and issue binding financial procedures and regulations to LGA.

The LGA's institutions, structure, composition and functions are established by laws enacted by Parliament which originate from the Constitution, Minister for Local Government Authorities who is currently in the Prime Minister's Office had been vested with unlimited powers like approving council's budget, issuing orders in the form of circulars/directives to explain new legislation or issue new policies or technical guidance.

On legal and statutory, the Central Government has the power to establish, dissolve any local Government, and amend Local Government Authority's laws, where as the Local Government powers and authority stem from Central legislation. The Local government authority has no appellant powers against dissolution and has obligation to abide by the Local Government Authority laws. Regarding the human resource, the Central Government recruits, trains, transfers and deals with salaries of the Local Government Authority senior and middle staff where as the Local Government deals with hire and fire of the auxiliary staff.

On planning the Local Government Authority receives planning guidelines every year, the NGO forum statement issued in December 2002 on LGA noted that, "on average Local Government Authority can expect to receive annually at least ten different planning and budgeting guidelines. Each sector ministry, PO-RALG and each donor issues at least one guideline per year.

Reporting formats generally all differ. The statement also said that Local Government Authority still faces multiple and overlapping instructions and reporting

requirements from central and sector ministries”. This creates confusion and frustration to the Local Government Authorities. Politically the Central Government has supremacy of the Parliament and legitimacy from wider national electoral mandate where as the Local Government Authority had no close links with and little influence on parliament. Their legislative powers are limited to by laws with areas of jurisdiction in small area PO-RALG 3<sup>rd</sup> Subject (2002, P13).

#### **2.5.18.4 Local Government Reform Program (LGRP)**

The Government of Tanzania in 1996 decided to reform the Local Government system with the overall purpose, “to improve the quality of the access to public services provided through or facilitated by Local Government Authorities” URT LGRP Action plan (1999, P7). The main dimensions of reform program were; Administrative dimension, Service functions dimension, Central –Local relations dimension, Financial dimension, and Democratic dimension.

#### **2.5.18.5 Achievements of Reform Program**

Kasege. (2003, P8, section 3.5) Gives some achievements of Local Government Reform Program since the implementation of the reform in 38 councils as follows: There is a clear policy statement on reform, supported by the highest levels of government; Legislation to enable the reforms has been enacted; Regulations to support the reforms have been passed; Information on the reforms has been disseminated to all local authorities and to the public; Regional administration has been restructured in line with its new role; 38 Local Government Authorities have begun the process of restructuring their organizations; Work on improving financial

management in Local Government Authorities and on fiscal decentralization is underway; The work of building capacity in Local Government Authorities is underway; and Attitude towards reform are slowly changing among government official and members of the public.

## **CHAPTER THREE**

### **3.0 RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter describes the methodology adopted in the study. It involves the research design, the population studied, sampling design, the sampling technique, data collection instruments and the data processing and analysis. This study will use the descriptive type of research. A descriptive research intended to present facts concerning the nature and status of the decentralization aspect. The study has used various methods such as conduct a review of the literature on the decentralization of the central government powers to the local authorities. The study will carry out primary and secondly research in Kilosa District as a case study.

#### **3.2 Research Design**

Research design is a master plan specifying the methods and procedures for collecting and analyzing the needed information (Zikimund, 1991). Vogt (1993) defines research design as the science (and art) of planning procedures for conducting studies so as to get the most valid findings. Jankowicz, (2005) posits that, research design is a structured approach to data collection that neatly and economically addresses the research question, answering the hypothesis or resolving the argument involved. According to Vogt (1993), there are three types of research designs namely; exploratory, descriptive and causal designs. Research design in this research is causal design aimed at identifying relationship between the central and local government. The task therefore was to identify the effect to the community development.

### **3.3 Population**

The population for this study involved all level of decentralization in the government chain. The population involved fifty people (50) of Kilosa District. The study involved 10 council management Team Members, Five councillors, 15 persons from focus group discussion and 20 council staff.

### **3.4 Sampling Design**

Complete enumerate of all population is difficult and therefore sampling is one of the best systematic technique for choosing a group of individual. Sampling is defined as a process of selecting a number of individual from a population such that the selected group contains elements representative of the characteristics found in the entire group (Orodho and Okombo (2002).

### **3.5 Sampling Frame**

Is the list of elements from which the sample is drawn (Cooper and Schindler, 2001). In this study sampling frame consists of all listed wards, units of inquiry included all residents of 15 wards, and head of department in Kilosa district council. There were a total of 46 Wards in the Kilosa District Council, Fifteen (15) wards were selected for study due to the fact that geographical position of the District which is scattered.

### **3.6 Data Collection**

This study used secondary data collected from Kilosa District Council reports and those in wards. A questionnaire will be developed and will be used as a tool for data collection.



The questions in the questionnaire will seek to test these hypotheses. The questionnaire will be distributed to a sample (size to be agreed) of people/officials across the government structure at the village ward, division, and district and in some instances in the regional. Interview especially personal interview will be used to collect data to some focused groups which will include councilors, village and Ward Executive Officers, Ward Development Committees, Division Secretary, Head of Department, The District Executive Director and the District Commissioner. Observation of the implementation of various activities at the District will be used as one of the methods of data collection.

### **3.7 Sources of Data and Collection Methods**

Interview, observation, documentation and questionnaire are methods to be used for data collection. The data will be collected at 50 persons of Kilosa District council.

### **3.8 Data Analysis**

Given the nature of the study the information and data collected will be analyzed so that to conceptualize the role and importance of decentralization of powers and functions of the central government to the local authorities in Tanzania.

### **3.9 Expected Results**

The objective of this study was to develop insight into research problem, thus researcher came up with valuable information on the impact of decentralization of the central government powers and functions to the local authorities in Tanzania.

## CHAPTER FOUR

### 4.0 RESEARCH FINDINGS AND DISCUSSION

#### 4.1 Introduction

This chapter describes the descriptive statistics of the data and empirical results of the study. The results presented demonstrate the decentralization functions which have impact in improving development in local authorities, classify decentralization functions which have impact to ownership of local authorities and address most critical functions of decentralization which have impact in development of local authorities in Tanzania.

#### 4.2 Response Rate

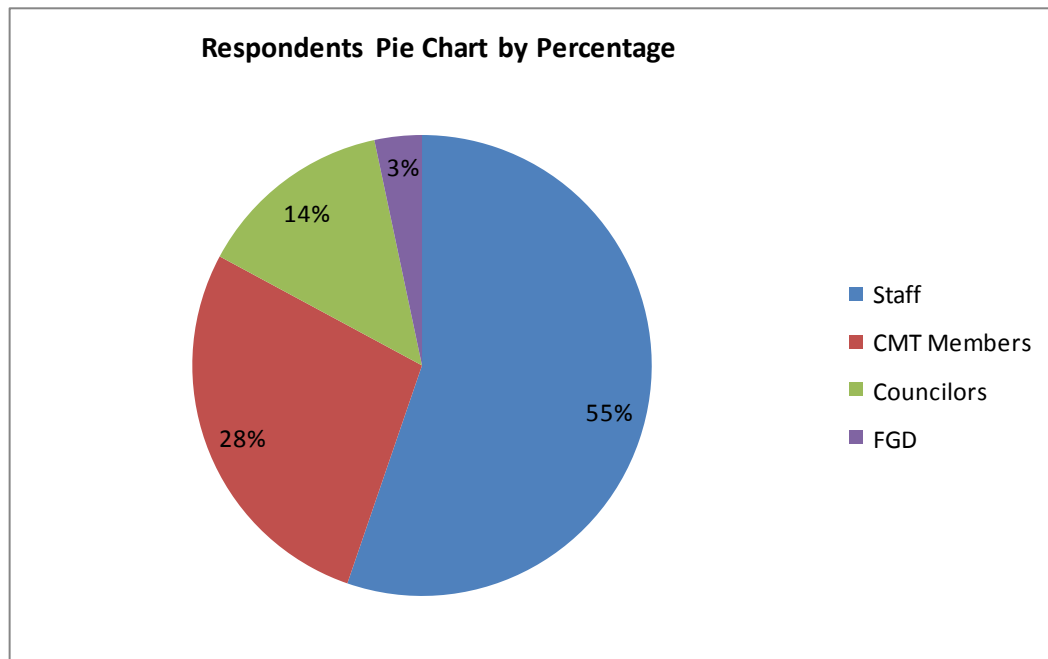
In this study a total of fifty (50) people of Kilosa District Council, including those living in villages were surveyed. These include; Individuals' councilors, members of council management team and FGDs participants. During surveys, data were collected from either a male or a female respondent; while during conversation with Focus Group Discussions, the focus was on respondents with important information about the study.

**Table 4.1: Distribution of Respondents by Category**

Category of respondents	Number and Percentage of respondents		
	Planned sample	Realized sample	
	Number	Number	Percentage
Council Management Team	10	10	100
Council staff	20	20	100
Councilors	5	5	100
FGDs participants	15 (3 groups @ 5)	15 (3 groups @ 5)	100
<b>Total</b>	<b>50</b>	<b>50</b>	<b>100</b>

*Source: Field Data (2012)*

The representation of respondents is represented in Figure 4.1.



**Figure 4.1: Respondents Pie Chart by Percentage**

**Source: Field Data (2012)**

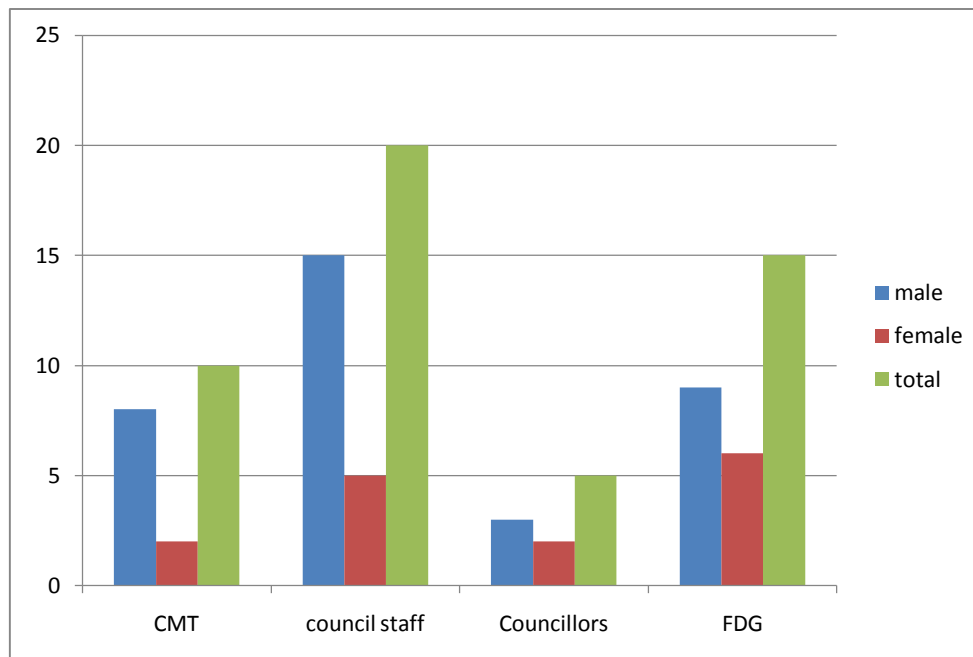
The study was gender sensitive whereby it adapted gender neutrality. However, efforts were done to ensure that both male and female are represented in the sample because male and female participates differently in local authorities' developments in kilosa District. The representation of gender in the study is described in the table and graphs below.

**Table 4.2: Respondents by Gender and Totality**

Respondents	Male	Female	Total
Management Team	8	2	10
Council Staff	15	5	20
Councillors	3	2	5
Focused Disc. Group	9	6	15
<b>Total</b>	<b>35</b>	<b>15</b>	<b>50</b>

**Source: Field Data (2012)**

Respondents who participated in the research were mainly staff of the council who make about 55%, Focused Group discussion was made by 3% of respondents, councilors made 14% and councilor Management Team made 28% therefore the research collected data from various characters hence made good representation of the population involved in local authorities activities in the District. Civil servants who in this case are council employees were represented by members of the council management team and other staff not in the management, councilors as representative of community and also individuals who were represented by those participated in focused group discussions.



**Figure 4.2: Respondents Chart by Gender and Totality**

**Source:** Field Data (2012)

The study confined itself in getting respondents of different age groups so that youths, middle age and old population are represented. The representation of respondents by age is described in a table here under;

**Table 4.3: Respondents by Age**

Type of respondents	25-35	36-50	51-60	61+	Total
Management Team	2	5	3	0	10
Council Staff	12	6	2	0	20
Councillors	1	2	1	1	5
FDG	13	1	1	0	15
<b>Total</b>	<b>28</b>	<b>14</b>	<b>7</b>	<b>1</b>	<b>50</b>

**Source: Field Data (2012)**

The study encountered respondents different levels of education as described in the a Table 4.4 here under.

**Table 4.4: Respondents by Education Level**

Type of respondents	Std VII	Form IV	Form VI	Dip +	Total
Management Team	0	0	0	10	10
Council Staff	0	1	7	12	20
Councilors	3	1	0	1	5
FDG	10	2	3	0	15
<b>Total</b>	<b>13</b>	<b>4</b>	<b>10</b>	<b>23</b>	<b>50</b>

**Source: Field Data 2012**

#### **4.3 Decentralization Functions which have Impact in Improving Development in Local Authorities**

The findings in this research identified decentralization functions which have impact in improving development in local authorities. As explained before that the study consulted about 10 Council Management team, twenty (20) council staff, 5 councilors and 15 persons involved in the focused group discussion. The population involved in the discussion during the survey had different comments on decentralization functions which have impact in improving development in local authorities in Tanzania.

The study revealed that the environment which has been created by the central government in the decentralization process is helping the local authorities to perform its activities which have positive impacts. The created environment has positive impacts in areas of autonomy to local authorities in decision-making, control of resources and legislative powers to make by laws. By decentralization process there are impacts in the local authorities whereby now there is good and structured system for development; the structured meeting system such as; village council, Village assembly, ward developments committee, standing committees, and Full Council meetings are impacts of decentralization process of the central government functions to the local authorities in Tanzania. The created conducive environment has impact to ownership of development processes in the local authorities.

The study has encountered the structured system of powers to make decisions through legal meetings starting at village to the District. The council has a meeting

schedule guiding statutory meetings to discuss and make decisions for development purposes. At sub village level; Kilosa District Council has 1114 sub village which are supposed to conduct meetings once per month, hence the council is supposed to conduct a total of 13368 in year. For the financial year 2010/11 the council conducted 909 meetings which are 68 % of the target. The meetings involved community in decision making of their development. The meetings are outcomes of decentralization process which insists the need for participation of people in decision making by the people in the grassroots.

At village level; Kilosa District Council has 164 registered villages. The villages are supposed to conduct village council meetings once per month and four village assembly meetings scheduled in every quarter. The village council in its meetings is supposed to discuss matters such as; village plan and budget, sensitize and mobilize villagers to participate in development activities, discuss matters to maintain peace and order, environmental conservation, land allocation for settlements and other social economic activities and discuss income and expenditure statements. The village council by involving village council members enables representation of people/community. In the financial year 2010/11 The council was supposed to conduct a total of 1968 meetings, however, according to the report by the council it managed to conduct 1,614 which is 82% of the planned meetings. The village proposals decisions are delivered to the Village General Assembly for resolution and consent of the community.

In the year 2010/11 the council planned to conduct 656, general assembly meetings however, 413 that is 63% was conducted. The meeting's agenda were on income and

expenditures, approving financial statement and plans and budgets, enacting villages by Laws, and approving development financial contributions and modality of participating in the villages' development activities. At ward level: In the 2010/11 the council planed to conduct a total of 184 Ward Development Committee meetings whereby each ward is supposed to convene a meeting once in each quarter in a year.

The council conducted 147 meetings that are 80% of the planned meetings. The ward Development Committee is an overseer of village development in the Ward. The trends of conducted meetings are encouraging in almost all levels because it almost goes beyond 50 percent of the required number of meetings.

At the council level: The council makes decisions through its standing committees and Full Council. The council standing committees meet once in each quarter in a year, the councilors members in the committees discuss issues brought by management after being digested by the council management team (CMT). The respective standing committees are; Finance, Planning and Governance which meets once every month, Economic affairs, Social Affairs which they meet once in each quarter of the year. However, there are other committees apart from standing committees these are; Land Allocation committee, Councilors Ethics Committee and Aids control and combating committee.

The committees are discussing and digesting different matters before are submitted to the Full Council for decision and resolution. The decisions and resolutions made by the Full Council are final and conclusive. The decentralized powers for decision making to the local authorities are concluded by the full council formed by people's



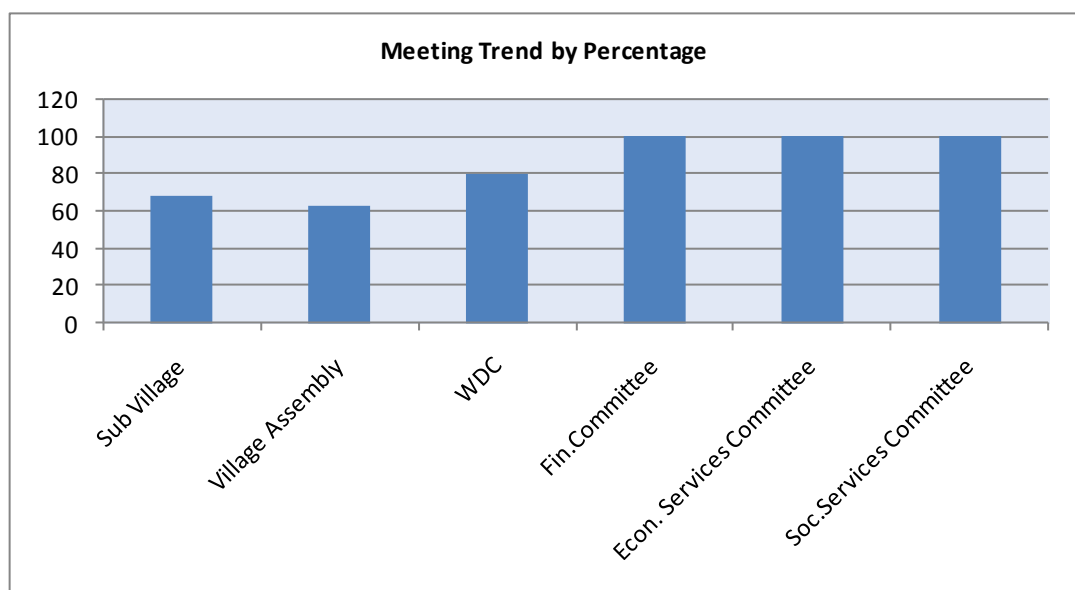
representatives from 46 yards and 16 special women seat councilors. Through the Full Council the following decisions are made without interference of anybody including the central Government; - The powers to enact by laws, the powers to approval council plan and budget, disciplinary action to council employees etc.

**Table 4.5: Performances of Meetings in Kilosa District Council for 2010/2011**

Type of Meeting	Target	Realized	%
Sub village	13,368	090	68
Village Council	1968	1614	82
Village Assembly	656	413	63
Ward Devt. Committee	184	147	80
Finance Committee	13	13	100
Economic Services Committee	5	5	100
Social Services Committee	5	5	100
Average Meetings by %			85

**Source: Field Data (2012)**

Percentage



**Figure 4.3: Meeting Trends by Percentage**

Type of meeting

Decentralized functions have made structured meetings to be an important tool which has made things to happen through decisions made. In Kilosa District Council through the decisions made by the community the council managed to have 42 secondary schools, 8 health centres, 86 dispensaries and rural roads.

Through meetings good governance is realized whereby since we see transparency in planning processes, financial statements showing income and expenditures of various projects and activities implemented in all levels of the council. People have a power to question and argue of different things being done in the council.

#### **4.3.1 Decentralized Powers of Planning and Budgeting**

The study revealed that community Involvement in the planning and budgeting process motivates and creates a sense of ownership among them. Planning process which involves the community from low levels to district level is accepted by majority in the local authorities. The local leaders, community members and councilors encountered in the study admire and admit the planning process because it is participatory. The decentralization process has made planning process involve the local authorities whereby people brain storm ideas basing on priorities accepted by all community members. The approach makes local authorities own development and sustain its planned activities.

The about 90 % of respondents to the questionnaires gave information that 75% of the people at villages do participate in the planning process because they know that it is their obligation to participate in the planning process. They participate in the

planning process because they realize the importance of their involvement in planning process. They have mentioned a number of benefits that is an impact for them to participate in planning process they are:

The involvement and engagement of people in setting priorities in the planning process through participatory planning approach ensures ownership of the plan. This has been evidenced by the population involved in this study. The decentralization process has made the community members be fully involved in the plans. By their involvement it ensures that priorities are included in the plan and budget; as a result there is impact because people own the plans and make the implementation process possible and sustainable.

The decentralization of central government functions to the local authorities have impact on monitoring and evaluation of the planned activities. People are easily monitoring their activities because everybody participated in the initial process. The monitoring and evaluation of the plans are done through statutory meetings; The statutory meetings are sub village General Assembly and Village Assembly and project formed task force committees.

Plans come with impacts because the decentralization of central government functions to local authorities has created willingness and motivation among community members in the implementation of the planned activities. The communities have built trust to the government because they feel that the central government recognizes them as development partners and have the right to plan for their development. Decentralization of central government functions to local

authorities has impacts in capacity building of the community at grass root level. The study found community members gained confidence in determining and setting priorities of development through opportunity and obstacles to development tool. The tool has been adopted to facilitate planning process. This has given a chance to the community to fully engage in all levels of the project cycle management as a result this has an impact in performance of the local authorities from the grass root.

The villages make decisions and have powers over control of resources such as financial resources whereby all money are channeled through villages and all villages have bank account which are controlled by themselves. The district is transferring all money to the villages. The villages make decisions of tender awards to the projects implemented at village levels, the projects include; irrigation schemes, health projects, and projects as a result there is impacts of decentralization of central government functions to the local authorities.

#### **4.4 Decentralization Functions which have Impacts on Ownership to Local Authorities**

The decentralization of central government functions to local authorities has increased Community participation. This aspect decentralization function has contributed to community ownerships of development process to local authorities. A good number of people interviewed in group discussion insisted that involvement of people in decision making make them feel to be part of their own development. Out of 20 people involved the interviews and focused group discussion admitted that involvement of community make them own the development.

The decentralized functions of the central government functions to the local authorities have impacts which have impacts which have allowed democratic election of leaders in the local authorities. This has contributed to ownership of local authorities functions due to mutual trust among communities members, those who are given powers to be leader are accepted by great percentage of the community all because they have been democratically elected by whole community. On interference by central government of central government also makes local authorities feel owning their own development since no interference by the central government, however, respondents vested by the researcher see that still the government is needed to leave some powers to local authorities in sources of revenue collection.

#### **4.4.1 The impacts of Decentralized Financial Capacity to the Local Authorities**

Resources allocation; the local authorities realizes that resources allocation in the local authorities provides local authorities distribute its resources basing on the priorities and evenly throughout. The resources allocation is evenly distributed in all sectors such as agriculture, health, education etc. and the study revealed that the decentralization of financial capacity to the local authorities have impact in increase of agriculture production, health service delivery and education sector, for example Kilosa district has managed to construct 52 irrigation schemes which have created employment to 260 people. It has managed to renovate, rehabilitate and construct health centres and dispensaries.

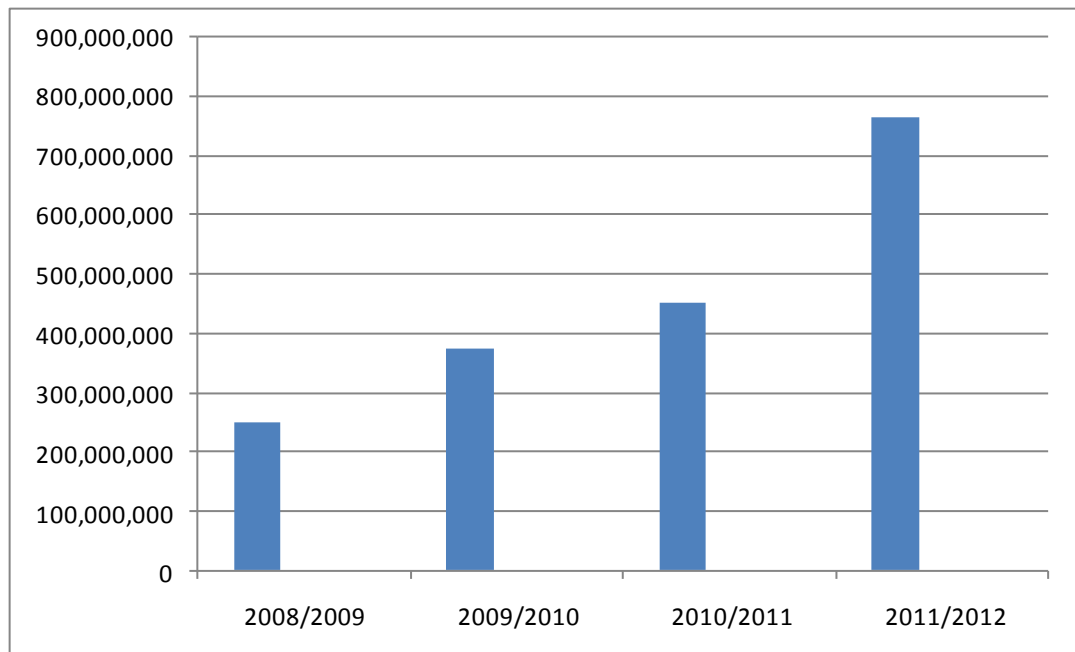
The central government has decentralized management of funds for development and other charges to the local authorities. Local authorities have been given powers to

collect and manage funds transferred by the central government. The local government authorities have been given powers to collect revenues by the Local Government Finances Act (Cap 290); through this legislation the government has given financial capacity by allowing the local authorities to collect revenue within their jurisdictional areas. The study in Kilosa District Council has collected data on own source collection trends for consecutive three years from 2008 to 2011. The revenue collection for the past three years is as in the table below:

**Table 4.6: Own Source Revenue In Kilosa District**

Year	2008/2009	2009/2010	2010/2011	2011/2012
Amount in Tshs.	250,000,000	375,000,000	453,000,000	765,000,000

**Source:** Field Data, (2012)



**Figure 4.4: Own Source Collection Trend in Kilosa District Council**

The revenue collection in Kilosa District council is increasing gradually though the increase is not sufficient. Respondents said that still the council could collect more revenue if there could have been no laxity in revenue collection. The use of by laws is still not sufficient enough as a result a lot of income is lost. Councilors blamed the management on this situation.

Regardless the powers given to the local authorities to collect its own revenues through internal sources, still there is laxity as revealed in Kilosa, as result the set targets are not reached. The study revealed a number of factors leading to this problem; inefficient by laws enacted by the council, poor identification of revenue sources, dishonest of some employees in the council, geographical location of the district, poor infrastructures,

Produce cess are the main sources of revenue for the council. Subsequent to the poor revenue collection the council is facing many challenges including liquidity problems and recurrent expenditure is rising while revenue dwindle. The council does not manage to meet its daily expenses since there is a lot of expenditures that depend on the own source revenue collected by the council.

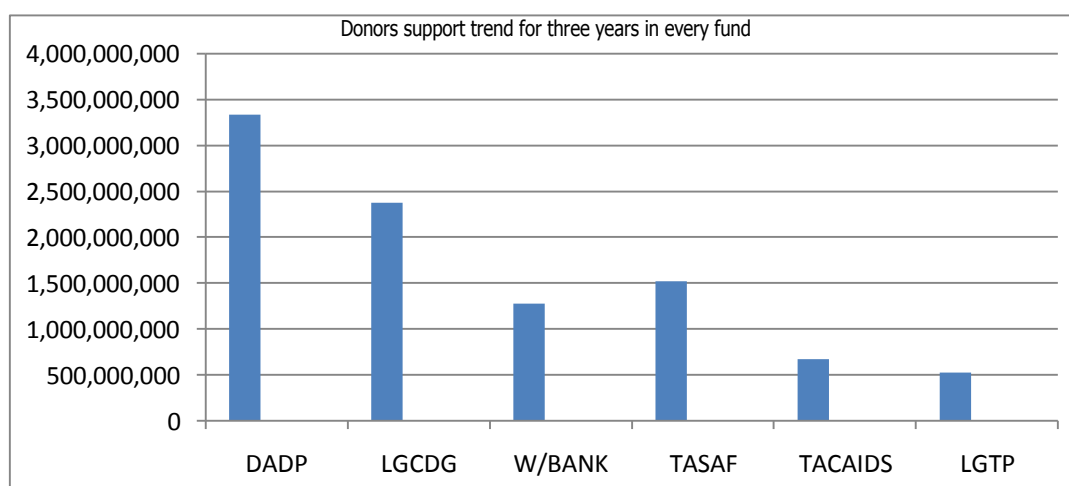
The central government is empowering the local authorities by giving financial capacity to implement various activities approved in the council budget; mainly these funds have special activities such as road fund, district agricultural development plans, local government development grants, basket fund. For example in current years the district received funds from the central as follows:

**Table 4.7: Funding by Donors to Kilosa District Council**

FUNDING SOURCE	2008/09	2009/10	2010/011	TOTAL
DADP	1,297,037,000	1,016,529,000	1,021,188,039	3,334,754,039
LGCDG	752,628,313.5	949,581,010	670,903,350.00	2,373,112,274
WORLD BANK	-	1,276,800,000	-	1,276,800,000
TASAF	762,173,315.00	556,996,000	556,996,000	1,517,136,315
TACAIDS	367,061,000	106,056,000	197,967,000	671,084,000
LGTP	240,000,000	240,000,000	39,688,229	519,688,229
PEDEP	70,844,000	177,110,000	168,000,000	415,954,000
PHP	105,362,574.50	120,000,000	-	225,362,575
RSWP	692,356,000	1,433,357,000	174,000,000	2,299,713,000
TOTAL				12,633,604,432
(In Tshs.)				

**Source: Field Data (2012)**

Amount Tshs.

**Figure 4.5: Donors Support Trend for Three Years in Every Fund Source of Fund****Source: Field Data (2012)**



The Council received much money for agriculture, capital development grant, other source of funding were just normal were just normal, most respondents appreciated the support their count this as outcome of decentralization process because in the previous days this not common, the central government was not channeling the funds direct to the local authorities. The disbursement of funds from the central government to the local authorities show the intention of the central government to decentralize and give the autonomy to the local authorities to plan and make use of funds for development of the respective local areas.

However, the study revealed a number of challenges from Kilosa District council, some of them include; delays in the implementation of projects by village council that are given funds to execute various activities. Projects are implemented in substandard due poor management of village committees and lack of close supervision from the district; as a result many projects lack value of money. Delays in disbursement of funds from the central government which cause delays in project implementation and loss of money value which cause claims of variation in many projects. Incompetent contractors who make many construction projects be constructed below standards.

The impacts realized subsequent to those disbursements of money include improvement in transportation which facilitates growth of economy in the rural areas. This has increased crops value due to market proximity. The community getting clean and safe water has increased. Through DADPs support 52 irrigation schemes have been constructed.

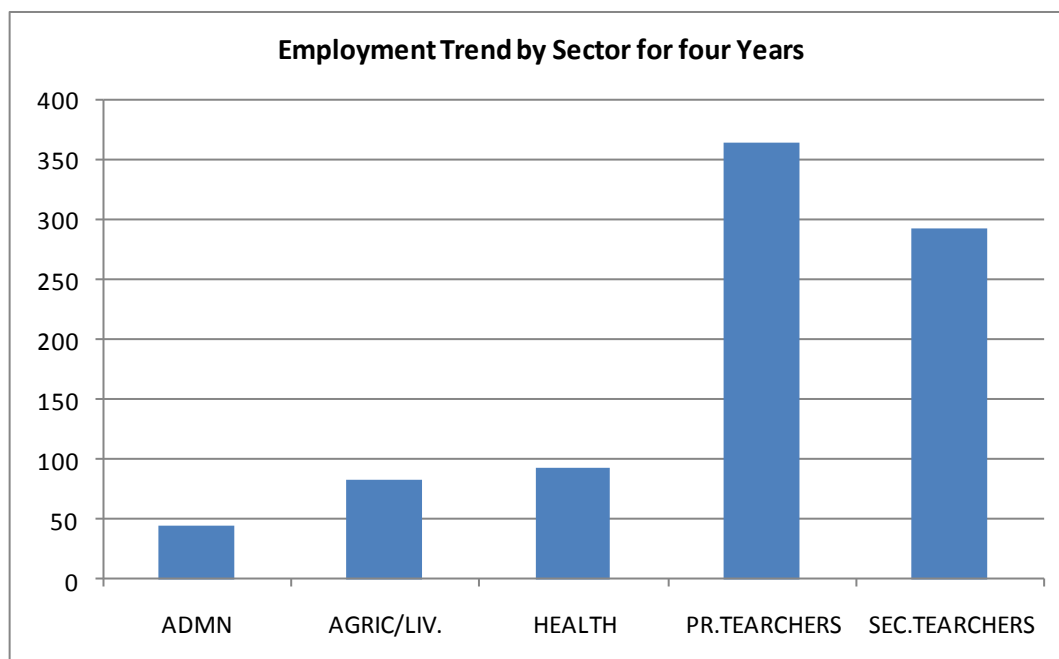
#### 4.4.2 The Impact of Decentralized Powers to Employ Human Resources

The government has decentralized powers to local authorities to employ and managed its human resources, the powers are given by Public Service Act Na. 8 of 2002 under section 6 (1)(b). The local authorities are autonomous organizations that have powers to hire and fire, through these powers Kilosa District Council has managed to employee the following employees in different period.

**Table 4.8: Trends of New Employees in Kilosa District Council**

Cadre	2008/2009	2009/2010	2010/2011	2011/2012	TOTAL
Administration	12	23	6	4	45
Agriculture& livestock	15	32	13	24	84
Health	24	26	32	12	94
Primary Teachers	85	91	100	89	365
Secondary Teachers	-	78	85	130	293
<b>TOTAL</b>					<b>881</b>

Source: Field Data 2012



**Figure 4.6: Employment Trend by Sector for Four Years**

Source: Field Data 2012

The amendment of the Civil Service Act No 8 of 2002 by Civil Service (Amendment) Act No.18 of 2007 section 29 established the Public Service Recruitment secretariat which replaced the role played by local authorities by decentralization process. The enactment of this act has denied the decentralized powers to the local authorities since the delegated powers to hire human resources to the local government have been deprived by this act.

The study in Kilosa District Council has shown that the establishment of the secretariat has caused delays in filling vacant posts in the council as a result affects performance of the council. The procedures by secretariat are very bureaucratic in such a way it hinders the speed of human capital investment in the council. The major concern is in lower cadres such as office assistants, drivers, security guards, personal secretaries etc, these are positions which easily done by indigenous and gives them an opportunity and by employed by the council the sense of ownership is realized. This decentralized function has brought impacts to different sectors subsequent to increase of extension officers in fields of agriculture, livestock, community Development, also provision of health and education services have been improved.

#### **4.4.3 The Impact of Decentralized Democracy and Governance**

The local authorities are run democratically whereby its leaders are elected by people. The democratic elections are done basing on the legal requirements as provided in the election legislations. The election process of representatives and who qualifies for election are given under Act No. 4 of 1979 known as; the Local

authority (elections) Act, 1979, which covers the following; the electoral authority, holding of elections and tenure of office of councilors, registration of voters, voting, qualification of candidates for election, nomination of candidates for election, election day and the campaign and procedure offence and petitions. The Local Authority (elections) Act, 1979 provides also procedures for election of sub village and village leaders. Kilosa District has 46 elected ward councilors and 16 special seats councilors who were elected in General Election of 2010. In 2009 village leaders were elected.

#### **4.4.4 The impact of Decentralized Delegated Legislative Powers**

The central government recognized the role of legal powers in operation of local authorities as a result the government delegated legislative powers to local authorities to enact its bylaws. The intention of delegated legislative powers is make the local authorities to come with laws which can support social and economic activities. Kilosa council has 23 By Laws for revenue collection, Sanitation and Environment. Good Farming Practices, Environmental conservation etc. This decentralized function has great impact increasing capacity of local authorities in exercising its core obligations of development, sanitation, revenue collection, land use planning, environmental conservation etc.

#### **4.5 To Analyze the Critical Functions of Decentralization which have Impact in Development of Local Authorities**

There are different decentralization functions that were mentioned by the respondents as follows:

#### 4.5.1 The Impacts of Political Decentralization Functions

Political function is one of the decentralization aspect which have impact in development of local authorities, politicians have great role in bringing development because when politicians are competing in elections have to work hard to ensure that they win the power. Elections manifestos of various parties mention decentralization of central government functions as a tool for development and democracy in the local authorities. This has been confirmed by five (5) councilors, 15 staff and five (5) people interviewed from focused group, For example in General Election of 2010 in Kilosa there were contestants from different parties. In Kilosa Constituency three parties i.e. CCM, SAU and CUF contested for Member Parliament Seat, In Mikumi Constituency three parties contested for the Member of Parliament seat; they were CUF, CCM and CHADEMA and in Gairo Constituency two parties Contested for the Member of Parliament Seat in all constituencies CCM won, however, there was high competition which resulted from the promises of contestants. In ward level the competition was high and CHADEMA managed to win to ward of Gairo and Zombo.

**Table 4.9: Parties Nomination Seats**

Position	CCM	CHADEMA	CUF	SAU	CHAUSTA
MPs seat	3	0	0	0	0
Councilors Seat	44	2	0	0	0

**Source: Field Data 2012**

#### 4.5.2 The Impacts of Conflicting Ideas Between Central Government and Local Authorities

There are struggle of powers by the local authorities over central government, the struggle between the parties causes creation of various legislations, directives and

circulars which give autonomy of local authorities to govern their development. The Local Authorities Act (CAP 287) gives powers to local authorities to operate as independent organs. The conflict arises also in the provisions of the Regional Administration Act No.19 Of 1997 section 14(3) which confer powers of the District Commissioner over the Council. Experience of Kilosa shows there are conflicts between the Council and the District Commissioners in some areas where by the District Commissioners Office exercise powers over the Council whereby the council counts itself as independent and autonomous organization.

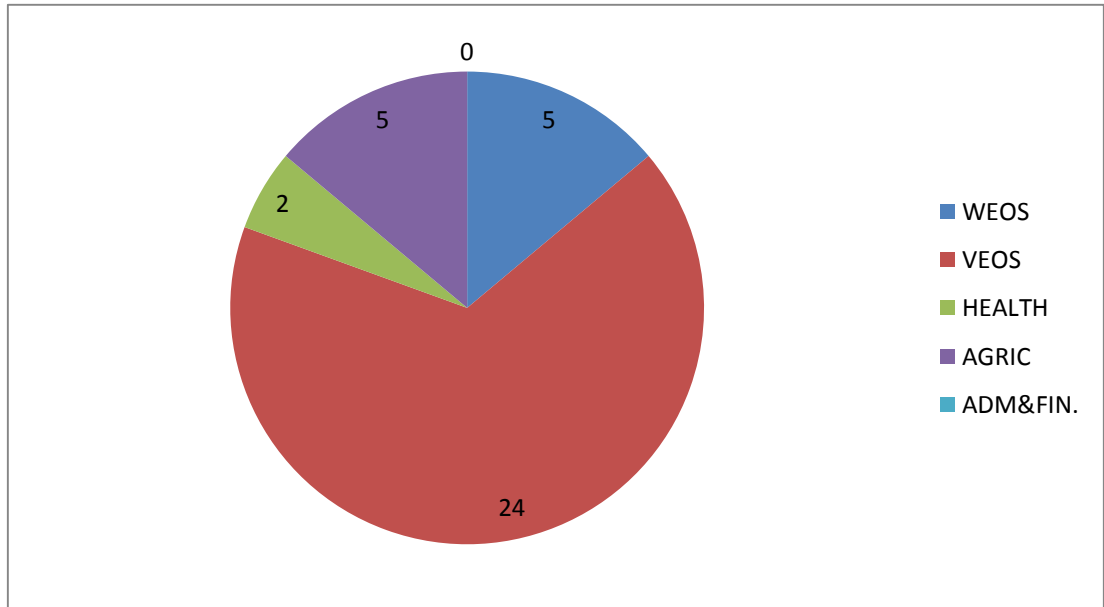
#### **4.5.3 The Impact of Councillors' Control Over Council Management**

Since councilors are there to protect community interest the situation build a sense of accountability on the side of management part since the supposed to safeguard the rulers' interest as the result development is realized. Five councilors interviewed said that disciplinary and legal actions are taken to staff and management to make sure that there is accountability. Councilors are taking various actions to management to make sure that the management and other staffs are responsible to the council. In 2009/2010, the councilors took disciplinary to 15 employees, 2010/2011 the council took actions to 12 staff and in 2011/2012 ten(10) employees are in disciplinary proceedings. This information can be summarized as follows:

**Table 4.10: Staff Disciplinary Action**

<b>YEAR</b>	<b>WEOS</b>	<b>VEOS</b>	<b>HEALTH</b>	<b>AGRIC</b>	<b>ADMN &amp; FIN.</b>
2009/2010	02	13	02	01	0
2010/2011	02	10			0
2011/2012	01	01	0	03	05
<b>TOTAL</b>	<b>05</b>	<b>24</b>	<b>2</b>	<b>05</b>	<b>05</b>

*Source: Field Data (2012)*



**Figure 4.7: Pie Chart of Staff Disciplinary Action**

*Source: Field Data (2012)*

#### **4.6 Methods of Improving Performance Impacts in Local Authorities**

The study collected views from five (5) councilors, 10 Council Management Team Members, 20 Council staff and 15 from the focus group suggested different methods of improving performance in local performance by insisting on different matters including the following:

Community Involvements in planning process; the find that involvement of community in planning increase performance and efficiency among the community since they feel owning the development process. The plans are developed basing on the environment the communities possesses. The appreciated the Opportunity and Obstacle planning tool that it enhances them to plan accordingly. Democratic Election; the respondents see that democratic election improves performance and efficiency in lower level because management of various activities implemented in

villages are managed by local leaders elected by the community itself hence ensure trust to them.

Transparency on government activities has activated performance of activities in local authorities, respondents on part of councillors said that the transparency of government enables community members to know about their resources and money earned by the local authority. For example government fund releases are openly advertised in the local magazines. Meetings in most instances are used to give reports on income and expenditures to the community.

Training to local leaders is mentioned as one of factors which increase capacity of the local authorities to perform its obligations. Councillors mentioned training given to them and other leaders that have helped them in performance of local authorities in the most efficient way. Local leaders have capacity to analyse development plans in the village. Involvement of stakeholders in development: this is said by Council Management team members that the involvement of different development partners activate the development.



## **CHAPTER FIVE**

### **5.0 CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter deals with the conclusion of the study and recommendations on this study on the decentralization of the central government to the local authorities in Tanzania.

#### **5.2 Summary of Findings**

Under Specific objective one which aimed at identifying decentralization functions which have impact in improving development in local authorities, the study found that decentralized functions have good impact on decision-making process due to well structured meetings from sub village to the district level. In Kilosa district a total of 909 meetings were conducted at sub village level, 1614 village councils, 413 village assembly, 147 Ward Development Committee and 28 Council level. The council exercise decentralized powers of planning and budgeting whereby the study revealed that 75% of the population of Kilosa District participate in the planning process.

Under Specific objective two which aimed at determining the decentralization functions which have impact to ownership of the local authorities. The study found that involvement of people in decision-making is mentioned to have impact in ownership of decentralization of functions of the central government to local authorities. Decision by the government to decentralize resources such as finance manpower facilitates ownership to local authorities. The decentralized powers to

enact by laws facilitate enactment of laws which suit the environment. Kilosa Council has 23 by laws. The decentralized power to collect own source also has an impact on ownership since the local authorities believe that the money collected is theirs. The decentralized function to employ has made the council to employ 881 from 2008/2009 to 2011/2012. The powers to employment cause the feeling of ownership to the community.

Under Specific objective three in analyzing the critical functions of decentralization which have impact in development of local authorities, the study found that the decentralized democracy and Governance have impact in ownership since local leaders are locally elected where by the council have 46 elected councilors and 16 special seat nominations. Five political parties participated in 2010 General Election.

Under Specific objective four the study is suggesting methods of improving performance in local authorities whereby the study found that decentralized functions such as democratic election be maintained and rectified. Decentralized functions should maintain the practiced transparency. Capacity building to local leaders should be a continuous process. The decentralization of central government functions to the local authorities faces challenges of over lapping of powers between the governors and the executives in this case in councilors and employees.

### **5.3 Implication of Results**

The study results imply that decentralization of central government functions to local authorities has great impact on political, social and economic development. The

communities in local authorities appreciate that the decentralization process is important for ownership, democratic, transparency, participation of the local communities in Tanzania in development. The decentralization of central government functions to the local authorities is a policy which has been accepted and received positive welcome in local authorities; however, improvement is required in capacity building at the lower level for local leaders and extension officers.

#### **5.4 Conclusions**

Basing on the study made one may draw conclusion that there were good attitude from targeted respondents in this study. The respondents were very positive, cooperative and provided constructive ideas; however, the research learnt that good background of targeted respondents on local authority in Kilosa District was an advantage.

Since one of the study objectives was to identify decentralization functions which have impact in improving development in local authorities, the study collected data and information which are important functions in improving development; these are autonomy to local authorities which make them exercise their activities without interference from the central government. Similarly, power over control of resources such as human capital and financial capital is mentioned as important in improving performance, also transparency through meetings and involvement of the community through participatory planning and monitoring has contributed to the existing performance of the local authorities. Moreover, capacity building through financial capital and human resource capital development has been mentioned to have impact in performance of the local authorities. In determining the decentralization functions

which have impact on ownership to local authorities the study revealed that this is happening subsequent to; community involvement to decision making of their own development, decentralized powers to collect own source revenues which make the local authorities be motivated, the powers of hiring and firing as provided by the Civil Service Act No.8 of 2002 as amended by Act No. 18 of 2007, democratization of government operations to the lower level through decentralization by devolution has also the local authorities to have sense of ownership to their development. The powers to enact by laws to govern its operations make them to own and manage their plans to development.

In analyzing the critical functions of decentralization which have impact in development in local authorities the study revealed that there is political struggle of ruling parties which as result contributes in bringing development, there is conflicting ideas between central government and local authorities' councilors control over council management.

Lastly, the study revealed some measures in improving development in local authorities which provided measures that are important in improving development in local authorities such as; Community Involvements in planning process, Democratic Election; transparency on government activities has activated performance of activities in local authorities; Training to local leaders is mentioned as one of factors which increase capacity of the local authorities to perform its obligations. Involvement of stakeholders in development: this is said by Council Management team members that the involvement of different development partners activate the development.

## **5.5 Recommendations**

The research after having secured data and information with recommendations of various people, the research has the following recommendations:

Firstly, the decentralization of central government powers and functions to the local authorities should go hand and in hand with the capacity building of the lower level administrative machinery. The capacity building is needed in areas of financial management, project management, and leadership skills among village leaders, extension officers and village Executive officers who carry important responsibilities in the administration and management of resources for development activities at lower level. However, the government needs to provide enough qualified extension workers in areas of community development, agriculture and livestock and should be given with working facilities such as transport to extension workers so that they manage to deliver the intended services to the community.

Secondly, political leaders especially councilors and parties leaders must identify their roles and obligations as a sensitization group rather than interfering professional roles and functions, many decisions in councils and villages are made with interference of political influences and in most cases they betray professionalism, as a result many resources directed by the central government to the local authorities are being underutilized and in some cases cause problem when analysis of value for money in the implemented projects is done.

Thirdly, the government should provide full authority to the local authorities without interference to the local authorities' plans and budgets. In most cases the central

government is directing the local authorities to implement activities that were not in the local authorities plan and budgets.

Fourthly, the central government should leave some of revenue sources collected by the central government to the local authorities so that to increase revenue collections in the local authorities. The study revealed that the local authorities have a lot of activities that need to be highly financed by own sources collected funds. These activities include; construction of infrastructures such as roads, school classrooms and agricultural irrigation schemes but the local authorities do not manage.

Moreover, transparency should be emphasized in lower level by sensitizing the community participation in statutory meetings. Attendance in some meeting is not good because people believe that their non participation do not have impact as a result when leaders come from District, Regional and National level they ask issues which are discussed in meetings for example the revenue and expenditure reports, by laws governing development issues etc.

Similarly, revenue collection is still very low as compared to opportunities for revenue sources, the council should strengthen its revenue by laws and motivate staff involved in revenue collection and avoid laxity in revenue collection.

Equally to, political competition should address itself in influencing development instead of mobilizing people not participate in development activities. In some incidents some political leaders discourage people not participate in development activities by saying that it is the government role to provide free services and other infrastructures such as schools, health centre etc.

Likewise, The local authorities should be given more powers to manage their development, the powers include to make decisions without interference from the central government especially the Regional and District Commissioners which when they exercise powers as autonomous organizations as per article 145-146 of the Constitution of the United Republic of Tanzania as well as Local Government Act Cap 287.

Lastly, councilors and management should be together so that there is complementarities between governors and management, this is very important because in some instances decisions are made not in favors of the council but just on competitive base between governors and management as result there are delays in implementation of various budgeted projects in the council.

## **5.6 Limitation of the Study**

The study on decentralization of central government functions to the local authorities is very wide for the researcher to cover all components. This study confirmed itself in decentralized functions however; other studies are required so as to get solutions to problems facing decentralization process in Tanzania. The study faced some limitations in the research process. The limitations were mainly on information given by the respondents, a lot of information which were not needed by the researcher had been provided by respondents. Their understanding is that if you mention of local authorities they think that it supposed to carry each and everything, however, there were supposed to concentrate on the impacts of decentralized functions of the central government to the local authorities. Another limitation of the study was on resources to cover larger part and reach wider sample.

It was not possible the researcher to take bigger sample because of limitation of financial resource. The study faced a challenge of time which was not enough to cover each and everything on decentralization of central government functions to local authorities in Tanzania.

### **5.7 Arrears for Further Research**

Subsequent to this study there a need for further research to fill the gap left by this study on the impact of decentralization of government functions to the local authorities in Tanzania. Further research is needed in the following areas; the role of central government in capacity building of local authorities in Tanzania, the role of political leaders in the development of local authorities in Tanzania and The capacity of local authorities in resources mobilization for sustainable development.



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## **APPENDICES**

### **Appendix I: Questionnaire**

Dear Sir/madam,

The purpose of this study is to provide answers to questions about the decentralization of central government functions to the local government authorities.

Kindly, I am obliged to you for your participation in this research. You are asked to spend a few minutes of your valuable time to respond to questions provided in this questionnaire.

### **CONFIDENTALLITY STATEMENT**

All the information provided will only be used in this research. It will be treated as confidential and not be disclosed to third parties. All references to the data will be anonymous

#### **Part A: General information**

1. Genders: (Tick where appropriate)

(a) Male        (   )

(b) Female     (   )

2. Age: (Tick where appropriate)

20 -30 (   )    31 – 45 (   )    46 – 60 (   )

3. Does the current situation in local authorities create favorable environment for development? (Tick where appropriate)

(a) Yes ( )

(b) No ( )

4. Full Council is a tool for decision-making at Council level, are capacity of these Councilors currently enough for local authorities growth?

(a) Yes ( )

(b) No ( )

If the answer is no give reason

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5. What should be done in strengthening the management and performance of development work at local authorities?

Village Level

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Ward Level.

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District Level.

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6. Decentralization system of government activities relinquished to the public in deciding, planning and managing their own development, how this system has been of benefits? At the level of Village / Ward / District. Specify that: -

Village Level

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### Ward Level

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### District Level

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7. Does the current local authorities structure and inter relation by central government favor sustainable development of District Councils.

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8. What ways should be done for improving decentralization in local authorities in the following areas:

- (i) In decision-making: .....
- (ii) In the management of resources (money):.....
- (iii) In involvement of people in decision-making: .....
- (iv) In the allocation of resources:.....
- (v) In the application of bylaws: .....





monitoring in development projects										
12. Shared mission and vision										
13. Having common objectives and policy										
14. facilitation of all ideal ideas for development										
15. Being honest and integrity										
16. Non interference of central government										
17. Improvement of infrastructures										
18. Participation in decision making for all genders										
19. Administrative structural reform										
20. Autonomy of local authorities										
21. Powers to revenue collection and diversification of revenue sources										
22. Central government to leave some of revenue sources to local authorities										

Position.....

Ward / Village.....

Department.....

Thank you for answering this questionnaire

End

## **Appendix II: Guide for Focus Group Discussion**

### **INTRODUCTION**

The purpose of this study is to provide answers to questions about the decentralization of central government functions to the local government authorities.

Kindly, I am obliged to you for your participation in this research. You are asked to spend a few minutes of your valuable time to respond to questions provided in this discussion.

### **A: GENERAL INFORMATION**

Date of interview .....

Name of the ward .....

Number of participants ..... Number of men ..... Number of women .....

FGD No .....

Education levels .....

Age categories .....

Main occupation categories .....

### **B: QUESTIONS GUIDING DISCUSSION**

How do you participate in making decisions in the village government?

Do you think that there is transparency in village council meetings?

Is the planning process involving all people in the village?

What are the benefits acquired through decentralization process?

Are you satisfied by the funds provided by central government to local authorities?

What things should the central government do to strengthen the local authorities?

Is there any interference of village functions from the District?

Are you comfortable with the local government structure?

Is the presence of councilors contributed to strength of local authorities?

What should be done to make local authorities be strong and sustainable?

Thank You for Your Cooperation

### **Appendix III: Interview Guide for Councillors and Council Management Team**

#### **INTRODUCTION**

The purpose of this study is to provide answers to questions about the decentralization of central government functions to the local government authorities.

Kindly, I am obliged to you for your participation in this research. You are asked to spend a few minutes of your valuable time to respond to questions provided in this questionnaire.

Therefore, respondents are requested to feel free to express their honest opinions and answers; and assured that the information they provide will be confidential and used strictly for the intended research purpose only.

#### **A: GENERAL INFORMATION**

Date of interview .....

Respondent number .....

Title of the respondents .....

Office name .....

What is the highest level of education that you achieved?

1 = ☐ Primary education

2 = ☐ Secondary education

3 = ☐ Post secondary e.g. certificate, diploma, degree

4 = ☐ Adult education

5 = [ ] No formal schooling

## B. INTERVIEW QUESTIONS

How do you participate in making decisions of the district council?

Do you think the existing local authority structure and system of operations offer enough room for transparency?

Is the district council planning process involving various stakeholders?

What are the benefits acquired through decentralization process?

Are you satisfied by the funds provided by central government to local authorities?

What things should the central government do to strengthen the local authorities?

Is the district council operating as an autonomous organ in relation to central government?

Are comfortable with the local government structure?

Is the presence of councilors contributed to strength of local authorities?

What should be done to make local authorities be strong and sustainable?

Thank You for Your Cooperation

#### Appendix IV: Research budget and work plan

In conducting any research, budget is an essential aspect. Presented below is estimated budget for the study

S/N	ITEMS	TOTAL AMOUNT
1	STATIONERY  5Reams of papers for printing @8000.....40,000  1 flash disk @40000.....40,000  3 short hand note book @1000.....3,000  1 box files @4000.....4,000	87,000
2	LITERATURE REVIEW  Collection and photocopying costs.....150,000  Internet print out app 250 pages @500.....125,000	275,000
3	Data collection and analysis  Transport for 2 month @100,000.....200,000	200,000
4	Final report writing and handover binding  5, <u>copies @20000,..... 100,000</u>  Professional services .....114,500	214,500
	<b>Total cost</b>	<b>776,500</b>

### Appendix V: Work Plan to the appendices

Presented below is a work plan for the study

NO		March (2012	April (2012	May (2012	June (2012	July (2012	August (2012)	Sept (2012
1	Literature review and proposal writing							
	Data collection							
	Data analysis							
	Report writing							
	First draft							
	Collection binding and submission							